

Autarchy means economic self-sufficiency. The high-tariff policies required for such self-sufficiency are the antithesis of the freer trade policies enunciated in the 1957 Treaty of Rome, which created the Common Market, made up of West Germany, Italy, France, Belgium, the Netherlands and Luxembourg.

THIRTY DAYS' NOTICE REQUIRED

A retaliation list of imported commodities, both industrial and agricultural, is being prepared by the staff of Christian Herter, the President's chief trade negotiator. It is understood the list includes French wines, German trucks and chemicals from various Common Market lands.

White House advisers emphasized, however, that any trade concessions would be withdrawn only after consultation with domestic industries that might be affected and only after all other probable effects had thoroughly been considered. The concessions that would be withdrawn were granted over the years by the United States under the terms of the 50-nation General Agreement on Tariffs and Trade, which went into effect in 1948.

Under GATT procedures President Kennedy need only give signatory nations 30 days' notice to withdraw a trade concession. It is understood U.S. policymakers aren't inclined to give the Europeans a chance to reconsider, or to ask merely for compensation from the Common Market for damages suffered as a result of the higher tariff on poultry.

"Whatever we do," explained a Presidential adviser, "we have to remember that under GATT we have to withdraw concessions not only to Common Market nations but to all other GATT countries as well." He said this meant the United States would try to avoid retaliatory measures that might unduly hurt nations outside the Common Market. Thus concessions might be removed on motor vehicles whose description would fit only the German-made trucks.

The United States has been pressing the Common Market to leave the door open to further negotiations on poultry tariffs since August 1, when West Germany, under Common Market tariff policies, abruptly raised duties to about 13.5 cents a pound from 5 cents a pound. West Germany is the principal market for U.S. exports of chicken and turkey.

As a direct result, exports of broilers, the chief poultry commodity sold abroad by the United States, are sagging sharply. Broiler exports fell to 50 million pounds in the January-June period, far below the 107 million pounds exported in the like 1962 months. West Germany usually buys 54 percent of all U.S. poultry exports, but no country-by-country breakdown of exports in the 1963 first half is available yet.

ADJOURNMENT UNTIL FRIDAY, AUGUST 2, 1963

Mr. HUMPHREY. Mr. President, under the previous order, I move that the Senate now stand in adjournment until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 5 o'clock and 28 minutes p.m.) the Senate adjourned, under the previous order, until Friday, August 2, 1963, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 31, 1963:

SMALL BUSINESS ADMINISTRATION

Eugene P. Foley, of Minnesota, to be Administrator of the Small Business Administration.

FEDERAL HOME LOAN BANK BOARD

John E. Horne, of Alabama, to be a member of the Federal Home Loan Bank Board for the term expiring June 30, 1967.

DEPARTMENT OF STATE

James I. Loeb, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea.

Adm. George W. Anderson, Jr., U.S. Navy, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal.

Claude G. Ross, of California, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Central African Republic.

Howard Rex Cottam, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait.

Henry Cabot Lodge, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Vietnam.

Donald A. Dumont, of New York, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Burundi.

W. Michael Blumenthal, of New Jersey, to be a Deputy Special Representative for Trade Negotiations, with the rank of Ambassador.

Dr. Walter Adams, of Michigan, to be a member of the U.S. Advisory Commission on International Educational and Cultural Affairs for a term of 3 years expiring May 11, 1966, and until a successor is appointed and has qualified.

Dr. Mabel M. Smythe, of New York, to be a member of the U.S. Advisory Commission on International Educational and Cultural Affairs for a term of 3 years expiring May 11, 1966, and until a successor is appointed and has qualified.

DIPLOMATIC AND FOREIGN SERVICE

The nominations beginning Francis O. Allen, of Pennsylvania, to be a consul general of the United States of America, and ending Jacob Snyder, of Maryland, to be a consul of the United States of America, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 24, 1963.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 31, 1961

The House met at 12 o'clock noon.
The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Nahum 1: 7: The Lord is good, a stronghold in the day of trouble, and He knoweth them that trust in Him.

Most merciful and gracious God, by whose bountiful providence we are surrounded and sustained, grant that daily we may put our trust in Thy presence and power which will make us equal to every task and responsibility.

May all the nations of the earth be united by the bonds of concord and co-operation in bringing to fulfillment and fruition those noble moral and spiritual values and aspirations which Thou hast planted within the soul of humanity.

Manifest Thy grace and favor to our President, our Speaker, and our Members of Congress as they seek to solve the difficult economic, political, and so-

cial problems, and may they be assured that universal peace is not an idle dream but a state of blessedness which Thou hast divinely inspired and ordained.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1642. An act to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualification and disciplinary procedures for registered brokers and dealers, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6016. An act authorizing additional appropriations for prosecution of projects in certain river basin plans for flood control, navigation, and other purposes.

The message further announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House upon the disagreeing votes of the two Houses thereon, and appoints Mr. McNAMARA, Mr. RANDOLPH, Mr. YOUNG of Ohio, Mr. MUSKIE, Mr. COOPER, and Mr. FONG to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3872) entitled "An act to increase the lending authority of the Export-Import Bank of Washington, to extend the period within which the Export-Import Bank of Washington may exercise its functions, and for other purposes," disagreed to by the House; agrees to the further conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CLARK, Mr. SPARKMAN, Mr. PROXMIRE, Mr. WILLIAMS of New Jersey, Mrs. NEUBERGER, Mr. MCINTYRE, Mr. DOMINICK, Mr. TOWER, and Mr. JAVITS to be the conferees on the part of the Senate.

COMMITTEE ON RULES

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

GIRLS NATION

Mr. HECHLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER**. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER. Mr. Speaker, I would like to use this occasion to call attention to the tremendous contribution which the program of Girls Nation makes to the development of citizenship among our young people.

This program, which brings to Washington, D.C., two outstanding young women from each State in the Union and gives them experience in parliamentary procedure and the principles of citizenship, deserves the highest commendation.

I want to congratulate the representatives of Girls Nation who have been chosen to spend this week in Washington, D.C. The great State of West Virginia sent two outstanding representatives—Miss Jodelle Deem, of Parkersburg, W. Va., who has been chosen as secretary of state, and Miss Ruann Ernst, of Beckley, W. Va., who has been elected majority leader. I extend my best wishes to these outstanding young women as they visit the Nation's Capitol.

DEMOCRATIC VICTORY IN PENNSYLVANIA

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER**. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, in his column of last Monday *Fulton Lewis, Jr.*, wrote:

President Kennedy, admittedly fearful that his popularity has badly slipped in recent months, will get his first real clue tomorrow night.

He was referring to the special election in Pennsylvania to fill the House vacancy caused by the death of our beloved colleague, Francis E. Walter.

Now we have the clue which came as a surprise and disappointment to *Fulton Lewis*. If it was a popularity contest, President Kennedy emerged stronger than ever. Yesterday the voters in Pennsylvania's 15th Congressional District elected the Democratic candidate, **FRED ROONEY**.

It was a most significant victory because the odds favored the Republican candidate who ran with the blessing of Gov. William Scranton with big money support from the ultraright wing elements from all over the Nation.

As *Fulton Lewis* said, Democrat **ROONEY** pledged himself to the support of the administration. He repeatedly boasts that President Kennedy has endorsed his candidacy. Republicans made foreign policy a major issue and charged the administration with what they call a "do nothing policy."

In a special election, in a close district, timed to favor the Republican candidate, the victory for **ROONEY** and President Kennedy is most significant. It should also be a clue to Members of Congress

who oppose the administration's program to meet the needs of our people and our country.

CALL OF THE HOUSE

Mr. HALEY. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 107]

Ashley	Griffin	Quillen
Blatnik	Hansen	Rains
Buckley	Healey	Robison
Celler	Hébert	Shelley
Clausen	Hollifield	Sheppard
Don H.	Johnson, Calif.	Shibley
Cramer	Jones, Mo.	Smith, Iowa
Davis, Tenn.	Kee	Snyder
Duncan	Macdonald	Taft
Evins	Martin, Mass.	Teague, Tex.
Flynt	Miller, N.Y.	Willis
Fraser	Moore	Winstead
Gavin	O'Brien, Ill.	
Green, Oreg.	Powell	

The **SPEAKER**. On this rollcall 395 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FOREIGN SERVICE BUILDINGS—PHILIPPINE WAR DAMAGE CLAIMS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 453 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill, H.R. 5207, to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, and all points of order against the conference report are hereby waived.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, those Members who were listening to the reading of the resolution know that it provides for the consideration of and waives all points of order against the conference report on the Foreign Service buildings and Philippine war damage claims bill. This is an extremely complicated legislative situation with a long history. I now yield 15 minutes to the gentleman from Ohio [Mr. HAYS] so that he may explain the details.

Mr. HAYS. Mr. Speaker, the Foreign Service buildings authorization passed this body almost unanimously, went over to the other body and in the other body there was added an amendment which affected the Philippine war damage claims bill. As you know, the Philippine war damage claims bill was once considered by this House. I led the opposition to it. The House voted it down. Later the House reconsidered its action in another bill with some safeguards in it, and passed it.

Subsequent to the passage of the bill by the House an investigation was had by the Senate that brought out that two former members of the Philippine War Damage Commission had been responsible for selling this idea to the Congress. They said in their correspondence, which was subpoenaed by the Senate, that there was no real enthusiasm for any further damage payments either here or in the Philippines.

I think it is important to bear in mind that we already, more than 10 years ago, paid 52.5 percent of each and every claim for war damage in the Philippines. I mean we appropriated \$400 million, which covered the claims to the extent of 52.5 percent of each claim. In addition to that, every claim of under \$500 has been paid in full.

It was said on the floor of the House at the time both these bills were up that there was an implied responsibility on the part of this Government to pay these claims up to 75 percent, and the \$73 million which was appropriated was that.

We went to conference with the Senate. The chairman of the Senate Foreign Relations Committee sat in the conference for the most part with a pocketful of proxies and we had to negotiate with him. They wanted to give the whole \$73 million to the Philippine Government. The House conferees took the position that we should pay the small claims, that we should make some allowance to the small claims and revert the balance to the U.S. Treasury, a position which I thoroughly supported. As a matter of fact, if I had my will, I would see none of the money go to anybody except back to the United States, but that we could not do.

So the reason we are asking to waive points of order is because, frankly, in order to get agreement we had to go beyond the scope of the legislation before the conferees. In a thumbnail sketch, this is what we did. We said every claimant who had earlier been paid 52.5 percent of his claim can claim an additional amount up to a maximum of \$25,000. This will take care of all but 287 of the total of thousands of claims.

We then said that, if the conference report is accepted, the difference between \$73 million and what would have been paid shall revert to the U.S. Treasury. The Foreign Claims' Settlement Commission shall certify what that amount should have been. We got that much of a concession from the other body. Then we said the difference—and there is disagreement about how much this will be—shall be paid into a special fund to be administered by the President of the United States and the President of the Philippines for the purpose of furthering educational exchange and other educational programs of mutual advantage to the United States, and the Republic of the Philippines.

Let me make the position the House is in clear. If we turn down this move the present law stands, and the big claimants who hired these lobbyists and who promised to pay them millions of dollars will get all the money and they will be able to pay the lobbyists. If we adopt

the conference report, everybody will get at least \$25,000 if they have that much coming. The difference will be the amount they have coming. I have a letter from an American who was in prison who has \$1,032 approved. That person will get the full amount. If there is a real demand to help the Philippines, you can look at any literature about the Philippines you want to and you will find that one of their paramount problems is lack of educational facilities.

If it is our purpose to help them, what better thing could you do with this money than to take it away from the brewery and gold mining companies and the others who hired these lobbyists and put it in a fund which will really help the Philippines?

Let me just read some of this correspondence that was uncovered by the Investigating Committee of the Senate Committee on Foreign Relations which brought this about and which caused this rider to be added on the buildings bill.

Mr. O'Donnell and Mr. Delgado who were former members of the Philippine War Damage Commission, and they are the lobbyists involved, had this correspondence, and I would just like to read what Mr. Delgado in the Philippines wrote to Mr. O'Donnell in Washington. I am not going to read it all, but I want to read enough to give you an idea of what was going on. This was in December 1952.

He says:

Your letter of December 23, 1952, was duly received and have noted its contents with great interest. I believe you are quite right in your appraisal of the situation there—

Meaning here in Washington—

but I am afraid that the enthusiasm on the part of interested parties and the Government here—

Meaning in the Philippines—

has cooled off.

Nothing has been done and no one seems to be interested enough to take the initiative in having some action by the Government on the matter of additional war damage compensation. However, I am today writing to Mr. Lino Gutierrez, president of the Private Claimants Association, and other interested parties on the subject. In addition, in the broadcast which I am scheduled to make on the 18th of this month over the station, DEBB, I will discuss the subject in an effort to arouse enthusiasm and start the ball rolling.

Start the ball rolling for what? Start the ball rolling to get 73 million more dollars from the Treasury of the United States.

Then we have a letter dated February 9, 1952, addressed by Mr. O'Donnell to Mr. Delgado. I will read you a paragraph of that letter. He says he is unsuccessful in securing the 120,000 names of the claimants—I will just tell you briefly what the big part of the letter says—to solicit all these people to represent:

But significantly he says "In connection with the war damage claimants, I discussed this matter thoroughly with Ambassador Romulo, who feels that if the final 22½ percent is to be realized, it can be accomplished, if at all, from this Congress."

That was way back in 1952. He added: I know that the Ambassador would give us unqualified support in such an endeavor.

Now get this—

Needless to say, I—

Meaning Mr. O'Donnell, the former Commissioner—

would like to make a good Philippine connection on a retainer basis since I am confident I could do a good job.

And what a good job he did—\$73 million worth.

I know that you will keep me in mind if any opportunities should present themselves.

Well, they kept up their correspondence. They did not quit easily.

In 1954 this is what Mr. O'Donnell said to Mr. Delgado:

Insofar as the administration is concerned, the spotlight is now being put on the Far East rather than Europe. Considering Magsaysay's popularity here, it would be my recommendation at this time that you work toward Magsaysay making a request upon our Government for this 22½ percent which has been promised as a matter of law.

It had not been promised at all—it was not even implied—but they use this language:

All of those actions together with our work here, can keep this proposed legislation in the limelight and ready to move at the appropriate time.

The appropriate time turned out to be 8 years later.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman.

Mr. GROSS. There has been an aroma from this \$73 million claims bill. From the time it was first considered here, it seemed to us, to some of us at least, that everything was not as it appears on the surface. The letter that the gentleman has just read, over the signature of Mr. O'Donnell, is further confirmation of that.

There are some of us here today who were opposed to this thing from the start, but who find ourselves in quite a predicament. I do not see how today someone is going to be able to convince me that I ought to vote for this bill. I can see some virtue in it in that perhaps O'Donnell and the rest of these people will be cut out. But I am not sure about that—that perhaps they will not find some way by which to sneak in and get some money out of it as it is now set up.

Mr. HAYS. Let me say to the gentleman that I am in exactly the same boat as he is. He and I opposed the bill on the floor, as I remember. But unless this conference report is adopted, in my opinion, certainly unless something is done affirmatively, the money will go to the claimants that these two people were working for. It is not a question of voting for or against the Philippines. It is not this simple. It is a question of voting for this rule in order to consider legislation which was beyond the scope of the conferees and taking away the bulk of the money from the big claimants and from the fellows who hired these lawyers.

As I said at the time this bill was under consideration, "gentlemen, if you take away the sugar the flies will leave automatically." Obviously, if you cut down the claims of \$100,000, \$200,000, \$500,000, to \$25,000 they will not have much money to pay Mr. Delgado and Mr. O'Donnell. Further than that, we put a specific prohibition, for whatever it is worth, in the law to prevent these two gentlemen from collecting anything.

So I would say to the gentleman from Iowa while this will not cure the situation it will make it less malodorous.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Florida.

Mr. HALEY. May I say to the gentleman that I am in the same position as the gentleman from Ohio. I voted against the original bill both times. The gentleman who is now in the well of the House made a splendid fight here to try to alert the Congress of the United States to the fact that we do not owe one dime to the Philippines. The Congress upheld him in that position the first time, as I recall, but now here is the situation as I see it: The Congress, through probably misinformation or through being misled—and I say that advisedly—is now in a position where it has appropriated \$73 million to go to these various claimants over there. The gentleman and his committee now are trying to reduce the figure or the amounts which will go to some of these claimants so that the balance, if any is left after that, and after they get through paying off, will go to the Philippine Government to be used for educational purposes. In other words, we have now given away \$73 million. There is no hope of saving that. But we can, to some extent, control the expenditure of the money that is left. In either event, the taxpayers of the United States are now stuck with a total of \$73 million, regardless of how we vote on this conference report.

Mr. HAYS. I say to the gentleman that the gentleman is right. If we do not act affirmatively today the \$73 million is going to go to pay the big brewery over there, the IXL gold mining company, and others of that ilk who hired these lobbyists to build up a case for something that did not exist. Or, do you want to give the small claimants the small amount and do something which I think might turn out to be constructive and useful with the balance?

If this rule is adopted and this conference report is adopted everyone will get everything that is coming to them which the War Damage Commission said was coming to them. I do not like to say "was coming to them" because I do not believe that is the case. That will be true with the exception of 287 big corporations.

Mr. Speaker, let me make it clear that all of the churches involved, all of the religious orders involved have already been paid in full.

Let me also make it clear that all of the people with \$500 claims or less have been paid in full. Let me point out to the Members of the House that a man

with a \$100,000 claim, or a corporation, has already received \$52,500 of that claim, and under this bill will get up to a maximum of \$25,000 more.

In the case of the \$100,000 claim, he would actually get \$23,000 more, because there is another limitation in the present law of 75 percent of the total claim. So the fellow with the claim of \$100,000, or under, would be paid in full, and the money is being taken away from the big corporations who hired Mr. Delgado and the other gentleman to build up this thing in order to sell it to the Congress and to get us to give them the money.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Washington.

Mr. PELLY. How can we control funds over \$25,000? If we can do that, why can we not retroactively control 100 percent of the claims?

Mr. HAYS. We are going to control everything over \$25,000 by not giving it to them. They do not get it.

Mr. PELLY. Why can we not do that with 100 percent?

Mr. HAYS. We cannot because the Senate would not buy it. If I had my druthers, I would druther not give anybody anything. I try to do the best I can. But we cannot do that.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Florida.

Mr. HALEY. I think that the House here owes the gentleman in the well of the House a deep sense of appreciation for what he has done here today. He tried to alert the House on what is going on in connection with this particular thing. I do not think that we owe the people of the Philippines or anybody else one dime. I think the gentleman agrees with me on that. He is now trying to do the best he can when the Congress has been misled into appropriating \$73 million of the taxpayers' money.

Mr. HAYS. In my view I am trying to correct to the best of my ability a bad situation.

If there are any questions about exactly what this proposed conference report does, I will be glad to answer them.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, I appreciate deeply the remarks made by my very able colleague from Ohio [Mr. HAYS] as to the contents of H.R. 5207, as amended by the other body. I, too, joined him in opposition to the original bill granting funds in payment of certain Philippine war claims and war damages when it came before the House some time ago.

However, the issue we have before us at the present moment is not as to whether the conference report on H.R. 5207, carrying the Philippine claims settlement as an amendment, is to be approved, but, rather, the question before the House at the moment is whether this body shall adopt House Resolution 453 which, if approved by a majority of this body, provides for taking up the conference report and for its debate and a final vote upon it.

The first vote in this body will come on the question whether or not the

House of Representatives wants to change its position again, once more march up the hill bravely, with drums beating and flags flying, to say to the U.S. Senate, if you please, the other body, that it cannot add to House measures, when they reach that body, amendments that would not be germane if offered in the House, that do not deal at all with the subject contained in the original House bill, as it cleared this body, and sending it back here and thus forcing and compelling the House of Representatives, as has been done so many times in the past, to accept the judgment, the desires, and the wishes of the other body, or, as it happens to be in this particular case, primarily the wishes and desires of one individual Member of the other body, as the gentleman who just preceded me has stated, sitting in conference committee with a pocketful of proxies, and saying, in an arrogant way, "House of Representatives, you do what I tell you to do. You pass the kind of legislation I want. You accept the amendments whether they are germane or not, that I add to your House bill, whether they deal with the same subject you discussed and legislated in the House or not. You accept, you take it. I am jamming it down your throats, or there will be no legislation."

So we are faced with the issue here today of whether we will again furl our flag, drag it down through the dust, and beat a hasty retreat down the hill once more, or whether we will stand up and say to the other body that we are going to protect our own prerogatives.

The SPEAKER pro tempore. The gentleman has consumed 4 minutes.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself an additional minute.

We are going to protect our own rights. We can exercise our own judgment as we please on the basic legislation we pass in the House. We can amend it, we can change it, so long as the amendments that we offer are germane, but we cannot permit anyone to write new law that is not germane to any bill we pass in the House, and then expect us docilely to take dictation from such a body. The House passed on this particular subject once before.

The House, this body, turned this proposal down once and it was sent to the Rules Committee. The objection was made and this is the old, old story, if you please, of adding, in new language something that has nothing to do with the original bill that passed the House, H.R. 5207, which amended the Foreign Service Building Act of 1926.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 1 additional minute.

The same thing is true of the Philippines war claim's provisions. Here, they were making an appropriation, for another matter entirely, absolutely not germane, and in an effort to protect the rules of this body and the rights of this body, the House of Representatives, in its wisdom supported the position of those who oppose sending this matter to conference. Then at the last minute, under pressure, this resolution was

brought out, so now you can vote as you see fit. You can decide for yourselves whether or not you want to adopt it. As for me, I am not for adopting this resolution. I am not for marching up that hill with my flags flying, and then trooping back down in retreat once more just because somebody says that is what I am supposed to do.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I will be glad to yield to the gentleman from Ohio.

Mr. HAYS. I certainly respect my colleague from Ohio and his right to have his own opinion, but I think it would be fair to point out that if we had docilely accepted what the Senate put in we would not be here asking to waive points of order. We rewrote the language the way the House conferees wanted it and went beyond the scope of what is before us, and that is why we are here asking to have it waived.

Mr. BROWN of Ohio. I will not yield further so as hastily to reply and say that in the end you have adopted an amendment in your conference committee, which the Senate added, and which was not at all germane to the bill. You should never have agreed to do so.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I will yield to the gentleman.

Mr. AVERY. Does not the gentleman from Ohio in the well now recall it was stated to the Rules Committee if the Committee on Foreign Affairs really wanted to do it now, this minute, in the way they should, they could bring out another bill, and there is nothing here to preclude that action at all. This seems to be an action they could take if they feel it is more convenient.

Mr. BROWN of Ohio. They can do so in 24 hours, and the Rules Committee would clear it immediately.

Mr. Speaker, I yield 15 minutes to the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Speaker, I rise in opposition to the rule and hope that we may discuss this on the basis of the prerogatives of the House of Representatives as well as what is best for the Nation.

I congratulate my distinguished friend from Ohio, [Mr. HAYS], on the statement he made. It was fair and accurate. I know his position. I joined with him on the original Philippines war claims bill in a debate to defeat that bill. I was opposed to the second bill which passed. After it had passed the House it came before my Subcommittee on Appropriations to appropriate \$73 million to pay these war damage claims. I voted for that and supported it in the House. But the appropriation was for the payment of war damage claims, not for the creation of an educational fund in the Philippines.

May I point out one additional vote that has not been mentioned here today, on this same subject, whether or not we should pay the lobbyists their commissions. This came on the supplemental appropriations bill. I happen to be the ranking member of the committee that submitted that report. The distin-

guished gentleman from Texas [Mr. THOMAS] brought the report to the House and there was a provision that none of the funds should be used for the payment of any money to any of the lobbyists who had worked on these claims. I voted for that amendment which the Senate had attached. But I say to you that the House voted against it. Now they say that we should throw out all the rules in the book in order to satisfy a few men. This House voted against it by a vote of 168 to 207, on May 14, 1963.

Now, it could have been done. You could have put this limitation in under the rules of the House. And you could do it today if the great Committee on Foreign Affairs would bring out a bill with this same language.

Now, let us see what is being done. The Constitution of the United States provides that appropriations shall originate in the House of Representatives, and shall be made in the House of Representatives, not in a conference committee with the Senate. By the adoption of this conference report you will be permitting the Senate of the United States to originate appropriations in a conference committee.

Under rule 21, section 4, it is provided:

Legislation that directs funds previously appropriated to be used for a purpose not specified in the original appropriation was held to be an appropriation in contravention of this provision (2147, vol. VII, Commission's Precedents).

In the conference report there is set forth the text of the proposed bill and in section 3c thereof it says, and I quote:

Any balance of the appropriation made pursuant to section 8 remaining after the payment is authorized by the first section of this act has been made and after any administrative expenses incurred by the Commission in connection with such payments have been paid shall be paid into a special fund in the U.S. Treasury to be used for the purpose of furthering educational exchange and other educational programs to the mutual advantage of the Republic of the Philippines and the United States in such manner as the Presidents of those two Republics shall from time to time determine.

This language makes an indefinite appropriation for the purposes of furthering the educational exchange programs. Such a proposition was not in the bill as it passed the House nor was it in the bill as it was amended in and passed by the Senate. Therefore the bill as proposed in the conference report goes beyond the scope of either the House or Senate version.

Furthermore, even if the Senate amendment had proposed an appropriation for such purpose, it would not be in order to incorporate such proposal in the conference report because of the provisions of paragraph 2 of rule XX of the House rules. Rule XX says, and I quote:

No amendment of the Senate to a general appropriation bill which would be in violation of the provisions of clause 2 of rule XXI, if said amendment had originated in the House, nor any amendment of the Senate providing for an appropriation upon any bill other than the general appropriation bill, shall be agreed to by the managers on the part of the House unless specific authority to agree to such amendment shall be

first given by the House by a separate vote on every such amendment.

Of course the House did not first give to its managers specific authority to agree to such an amendment. It could not have done so because the Senate amendment did not make such a proposal. The proposal of this appropriation for the additional purpose of promoting educational exchange originated in the conference room and not in either body.

The action contemplated in providing funds for the educational activities concerned is clearly an "appropriation" and there is a precedent clearly dealing with this very proposition. In volume VII of Cannon's Precedents, paragraph 1466, it says:

A proposition to make an appropriation payable from funds already appropriated was held not to be in order on an appropriation bill. The payment from a fund already appropriated of a sum which otherwise would be charged against the Treasury was held not to be a retrenchment of expenditure.

So here you have the Senate in conference appropriating for a purpose not in the original appropriation bill, to create a \$30 million fund. For what? Let me read to you what the distinguished chairman of the Foreign Relations Committee of the Senate said this \$30 million was going to be used for, that would be set up in this bill. Here is what he said:

This special fund is to be used for educational exchanges and other educational programs to be established by agreement between the Presidents of the United States and the Philippines.

To avoid any misapprehension on the score that use of this special fund for educational purposes would not assist the Philippines in its program of economic rehabilitation and development, I would like to devote some time to this provision of the amendment. The special fund would be available not only for educational exchange but for other educational programs in the mutual interest of the Philippines and the United States.

For the record, I wish to make clear that it is our intent that these other educational programs should be broadly conceived, imaginative in scope, and where feasible, linked to the purposes of the original Philippine claims legislation. There are many uses for the special fund, such as increased school construction, assistance to teachers' salaries, providing training, salaries, and equipment for community development specialists, and to provide support for the youth movement which has a high educational and training quotient to it. The fund could be drawn on to support training of vocational and specialists in other fields and for agricultural extension work among farmers.

Listen to this. Those of you who oppose Federal aid to education and those of you who are for Federal aid to education, mark you well this, that it is stated in here that this \$30 million in the Philippines can be used for the construction of schoolhouses, the payment of teachers, vocational training, all of the other features of aid to education. This is \$30 million, and your worldwide educational program, which you have passed in this House worldwide, is \$42 million. But here in one area you are going to set up

a \$30 million fund of the American taxpayers' money.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Ohio.

Mr. HAYS. If this does not pass, \$1 million of it will go to build an extension of a brewery. What we are doing is taking it away from them and saying you can use it for some more beneficial purpose.

Mr. BOW. I know the distinguished gentleman from Ohio was opposed to this bill originally, but it is a remarkable thing to see the change that has taken place. When we defeated the original bill what happened? Why, the great Foreign Affairs Committee of the House wrote new legislation. The committee wrote a bill that they passed that came out of the great Foreign Affairs Committee, and practically the entire report which I hold in my hand is made up of editorials spanning the House for having defeated the Philippines bill. The editorials have headlines like this: "Repay Your Friends," "Mistreating the Philippines," "Dishonor or Just Debt," "Not Aid, Just Debt." And on through this report. This was legislation by editorial comment. But the bill passed after we once defeated it, after we found it was wrong. Now in order to correct that bad legislation you come in and throw out all the rules of the book.

Why do we not legislate by rule if we are to be a responsible legislative body, not by expediency? The Foreign Affairs Committee that was able to bring out this bill and to pass it for \$73 million with a report by editorial, if we defeat this rule, that committee could come out tomorrow with a bill containing the same provisions we had in the supplemental act which the House defeated, containing the same provisions that are in this conference report, and you could pass it in the House.

I am not pleading here at all for any lobbyists. I will vote for a bill, I will sponsor it, I will do anything to bring it out, as I did on the supplemental to prevent such payments. What I am pleading for here is the integrity of the House of Representatives. You are violating the rules of a conference, going beyond the item sent to it for conference. This is one reason. One of the rules you are voting against is the rule that provides for appropriations going to the Appropriations Committee, not on legislation.

The other is that a Senate amendment which is not germane to the original House bill should come into the House and be considered in the Committee of the Whole House on the State of the Union, where it could be debated and where you could have a full opportunity to consider it. Let me say to you that neither the House of Representatives nor the Senate has ever had this legislation before it except on a conference report. The bill passed by the Senate for the \$73 million and the bill written in the House, neither one is in this conference report.

This is completely new legislation. It is completely new legislation written in conference. Are we going to abdicate

the prerogatives of the House of Representatives to a few men from the other body who sit in conference and change the law? Is this House going to take the position that we will waive this point of order and that we will waive our rules and legislate on the basis of expediency rather than on the time-tested rules of this great parliamentary body?

Let me say to you, in looking over the rules and studying the rules on this, I opened the front page of the "Rules of Procedure of the House of Representatives" and I found a very interesting quotation on the first leaf of that book. If I may, we will quote Shakespeare because it is in the "Rules of Procedure of the House of Representatives." In these Rules of Procedure, they go to the "Merchant of Venice":

Bassanio says to Portia:

And I do beseech you wrest once the law to your authority; to do a great right, do a little wrong.

But Portia was a brilliant woman and she gave good advice.

She said:

It must not be; * * * 'twill be recorded for a precedent, and many an error by the same example will rush into the state.

I believe that is just as true as it applies today on the basis of the rules of procedure of this House as at the time when it was first written. We, to do a great right and do a little wrong of this type are establishing a precedent today which will be recorded as a precedent and many an error by the same example may rush in to affect the state.

I hope the House will defeat this rule—I sincerely hope it will defeat this rule.

Let me say this one thing further: There is a procedure by which this conference report could have come up. If a point of order had been made against it, it would be proper to move to suspend the rules and pass the conference report. That would have taken a two-thirds vote, but that is the regular way by which this should have been done and not by throwing our rules completely to the wind and delegating our authority to a conference committee.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman yield?

Mr. BOW. I yield to the gentleman from New York.

Mr. ROONEY. I should like to say that I am in agreement with the distinguished gentleman from Ohio in opposing this rule waiving all points of order. This huge fund would be set up without any hearings at all by the proper committees of the House and Senate and would increase the present program for educational exchange with the Philippines from the amount of about \$600,000 a year to about \$30 million a year. Is that correct?

Mr. BOW. That is correct.

Mr. ROONEY. This unorthodox procedure would increase the so-called Fulbright program from \$600,000 a year to \$30 million a year, and would also include the payment of teachers' salaries—which is something we do not even do in our own country—with Federal funds. I am going to join with the gen-

tleman in voting against the granting of this rule.

Mr. BOW. I thank the gentleman from New York.

May I say, in setting up this fund for our friends in the Philippines for \$30 million, and as I say, worldwide it is \$42 million, then what is the next friendly country going to say? They will say, "Look what you did for the Philippines; we need \$30 million, too." So it will go on down the line.

I have heard it said that there has been some objection—propaganda against the foreign aid program. This is a part of it; \$30 million. We can withhold this. We can bring in a bill from the Committee on Foreign Affairs limiting claims to \$25,000 and cutting out anything that is to go to the lobbyists and then let us send the rest of it, as the distinguished gentleman from Ohio [Mr. HAYS] so properly said—let us put the rest of it in the Treasury of the United States.

Can we add this to our national debt of \$308 billion? Can we afford this when we are paying close to \$20,000 a minute in interest on our national debt? Remember further, we are going to have to borrow this \$30 million; remember that.

Let me say to you in closing, this bill provides that we pay the Philippines on the basis of 2 pesos to the dollar. I think you will find, although I have not checked it, but not long ago or at least a few days ago the rate of exchange was 4 pesos to the dollar.

So what you are doing in this is you have set up in this bill a payment of 2 pesos to the dollar. It is actually 4. So what you are doing is doubling it. Therefore, let us not fool ourselves in the thought that we are saving money. Let us defeat the rule and protect the integrity of this great House of Representatives.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Speaker, I rise in support of this rule and in support of the conference report.

Regardless of what may be said about procedural matters here, the fact remains that we are talking about specific recommendations. The question is not whether we are trying to save \$73 million. That money has been authorized and appropriated.

Mr. Speaker, we are trying under this procedure here today, as has been said, to set some guidelines, to write some protective words into this legislation, to indicate our distrust of, our distaste for improper lobbying activities that have taken place.

Mr. Speaker, these are the things we are trying to do. These are the things which the Members of the House will be voting for if we adopt the rule and the conference report.

It has been inferred here that the conferees on the part of the House meekly gave in and acquiesced in the demands of those of the other body. That is certainly not the case. This was a hard, tough conference, and what has come forth is what we believe—those of us

who were conferees—to be the best solution possible.

In voting upon this rule and in voting upon the adoption of the conference report the question is this: Do you want to write restrictions into this legislation against improper lobbying? Do you want to use this money, which is already appropriated, in the proper way? If you do, then vote for the rule and for the conference report.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Speaker, I stand here as a traditional foe of paying one dime to any claimant in the Philippine Islands.

Mr. Speaker, my amendment a year ago would have restricted the amount that any claimant could receive, after my first amendment a year ago was defeated that would pay this money to the Government of the Philippine Islands.

Mr. Speaker, I think the Members of the House know my position since that time, through memorandums which have been sent to their respective offices. But I would like to say this in connection with the baring of our souls in relation to the Senate of the United States that it was the House that was deceived by the lobbyists and not the Senate. It was the Senate that took it upon itself to conduct the hearings and to investigate abuses under the act, and not the House of Representatives. And, finally it has been the Senate which has insisted upon paying this money over to the Government of the Philippine Islands, which is exactly in accordance with what President Eisenhower agreed to do when he was President of the United States. And that is exactly what the Secretary of State in this administration wanted to do, until the House twisted the arm of the Secretary of State who forced the Senate to recede from their position and go back to giving this money directly to the claimants.

Mr. Speaker, the Senate has now given us this opportunity to straighten our own house. Under the former bill when it came up under an appropriation act we receded from the position of the conferees and I agreed with the gentleman from Ohio [Mr. Bow] that this measure should come on an authorizing bill rather than an appropriation bill.

Today you have that before you. This bill is an authorizing bill. Now he objects to the fact we are appropriating \$30 million under an authorizing bill. When it was before this body he objected that it was an authorization under an appropriation bill. You cannot have it both ways. There is no chance that this bill will come back to this body unless we pass this legislation now. It is not the House that has taken the lead in correcting this situation, it is the Senate, and we should not miss this opportunity or the \$73 million will most assuredly be paid out by direction of one man if he so orders should we defeat this resolution at the present time.

Mr. Speaker, after many months of negotiations, House-Senate conferees have finally reported agreement con-

cerning the Philippine war damage claims bill. This compromise is a reasonable one. The obligations of the United States are fulfilled; while the specter of large windfalls for lobbyists is removed.

All Congressmen hold in reverence the rules and traditions of the House. These rules and traditions, developed over the years, provide orderly methods for conducting the business of this great body.

The other body has rules which differ from ours. I believe our rules as they apply to germaneness of legislation and debate are far superior. Our rules clearly label legislation under consideration by the House. We do not subscribe to the method of tacking on major legislation to minor bills. I believe our position is in the best interest of the Nation. The Rules Committee, to its everlasting credit, has recently taken steps to prevent the recurrence of a situation of this type.

This should be the last time that the House, except in an emergency, should have to consider legislation that is not germane in form.

May I respectfully suggest to my colleagues that the matter of form is secondary in considering the matter before us today. This is probably the last chance we will have to correct legislation that is obviously wrong. By approving House Resolution 453, we can give legislative evidence that the House holds honor and principle above all else.

Failure to act favorably on this resolution will only aid and comfort those who are trying to undermine our democratic institutions through charges of payola and inaction. I am sure I do not need to remind my colleagues that the pace of this session of Congress has caused comment throughout the land.

What are we today being asked to approve?

The conference report on H.R. 5207 limits payments to individual claimants to a maximum of \$25,000. This provision goes a long way toward assuring that no lobbyists will receive a windfall arising out of acts of Congress. This is probably the most important point agreed to by the House-Senate conferees, because it meets the principal fear expressed by those who opposed payment to individual claimants—a fear which reached national proportions as the activities of lobbyists were exposed.

PHILIPPINE-AMERICAN FRIENDSHIP ENHANCED

By adoption of the House-Senate conference report friendly Philippine-American relations will be maintained. The report provides for amounts over the authorized \$25,000 to individual claimants be reserved in a special fund in the U.S. Treasury for educational purposes. The conferees have provided for a special fund in the U.S. Treasury to further educational exchanges and other educational programs of mutual advantage to the Philippine Republic and the United States. This fund would be created by depositing all sums over the \$25,000 authorized for individual claimants with the U.S. Treasury until agreement as to their use is made by the President of the United States and the President of the Philippines.

Moreover, under this fund many high impact projects could be given educational and technical backup. For instance, a Philippine Institute of Land Reform might be created to provide technicians and specialists for agricultural progress in the Philippines. To a large extent the Philippines is a showcase for American-style democracy. If the Philippine economy shows greater progress than those of countries under dictatorships, of one form or another, then the attraction of the uncommitted nations for freedom will be all the greater.

Mr. Speaker, I trust the commonsense of the House will overcome procedural roadblocks however well intentioned, and that this resolution will be agreed to.

Mr. BROWN of Ohio. Mr. Speaker, I yield the remainder of the time on this side to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I was surprised to hear the gentleman from New York [Mr. BARRY] say that the House had been lax and that by this procedure the Senate is straightening out the House; straightening out our affairs.

Let me say to the gentleman as others have well said before me—the gentleman from Ohio [Mr. Brown] and the gentleman from Ohio [Mr. Bow]—there has been nothing to prevent the House Committee on Foreign Affairs from bringing out a bill that would meet the objections of many Members of the House to the procedure that is here being attempted.

Mr. BARRY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. BARRY. Does the gentleman now speaking to us think that the Committee on Foreign Affairs of the House of Representatives would ever reconsider a bill to do what the gentleman wants to have done?

Mr. GROSS. It is not a question of reconsideration. It is a question of bringing out a bill that would meet the objections that have been raised and extricate the House from the position of being used as a doormat by the other body. If you vote for this, you should hold your nose when you do, knowing that you have swept the rules of the House completely under the rug.

Mr. BARRY. There are times when you are already in the fire with both your feet and in order to take them out you have to grab hold of something. This is a way of our grabbing hold. If this fails, I would like to ask the gentleman if he can assure this body that he will see to it that a bill comes out of the Committee on Foreign Affairs of the House of Representatives?

Mr. GROSS. Let me say that there is no valid reason why a bill could not have been brought out of the Committee on Foreign Affairs long ago to properly and fairly meet this situation.

Mr. BARRY. Why was it not brought out?

Mr. GROSS. The gentleman was on the committee at the time the original hearings, if they can be called hearings, were held on this bill. I was not.

Mr. BARRY. I have had a bill in the Committee on Foreign Affairs to do just

exactly what the gentleman wants done; to do exactly what the original agreement of August 5, 1959, provided, but there has been no attention paid to that bill, there has been no attention paid to any companion bills, and the gentleman should know that.

Mr. GROSS. The gentleman agrees there is no reason why a bill could not have been brought out of the Committee on Foreign Affairs to rectify the sorry situation that now exists.

Mr. BARRY. If the gentleman had the necessary votes in the committee this would have been possible—however, since the gentleman knows that no bill has been considered by the committee even though several have been introduced it should be obvious to him that now and only now is there an opportunity to correct this legislation.

Mr. GROSS. Mr. Speaker, I do not agree, as others have stated that there was a hard and tough conference with the Senate. This is not the bill approved by the House. It is a product of the Senate, being rammed down our throats as a rider to another bill.

Mr. Speaker, I urge the Members to sustain the rules of the House, and vote down the pending resolution waiving points of order.

Mr. BOLLING. Mr. Speaker, I yield myself the balance of the time on this side.

Mr. Speaker, I cannot pretend to be expert on this subject. I am not on the Foreign Affairs Committee, and I could not give you a detailed chronology of all the events that have taken place, but I paid a good deal of attention to what was said in the Committee on Rules when the rule was requested, and have also listened with great care to this debate. It seems to me from the comment of the gentleman from Ohio [Mr. Hays], and that of the gentleman from Indiana [Mr. ADAMS], that the people who have been most heavily involved in this matter, men who have been opposed to the whole \$73 million being expended, feel that this is the most practical way in which we can best solve the problem. Now one thing I do know a little bit about is the rules of the House.

We have had many a fine-spun argument about how we are destroying the rules of the House. The procedure under which we are acting is provided in the rules of the House so it is impossible for us to be destroying the rules of the House. It seems to me that the best way for all of us to improve an extremely bad situation is to vote for this rule.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I will be delighted to yield to the majority leader.

Mr. ALBERT. Mr. Speaker, I congratulate the gentleman from Missouri on what he has said in this regard. We are operating under a special rule which has come from the Committee on Rules, which is standard procedure in this House day after day. I think the House is entitled to consider this proposition on the merits. Therefore, I urge the adoption of the rule and the consideration of the conference report.

Mr. HAYS. Mr. Speaker, will the gentleman yield to me?

Mr. BOLLING. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Speaker, I think one thing ought to be cleared up. I am sure my colleague, the gentleman from Ohio [Mr. Bow], made the statement inadvertently, because he was honest and fair in his presentation of his point of view, but he said that this would be paid at the rate of 2 pesos to the dollar. The going rate is approximately 4 pesos to the dollar. I would like to read from the report, and this is what the law provides:

Payments authorized under this act shall be made in U.S. dollars or in Philippine pesos at the option of the Secretary of the Treasury.

Either in dollars or in pesos.

If paid in pesos the payments shall be made at the free market rate of exchange.

Whatever that is, on the given day of payment.

Of course, section 5 of the act passed last year refers to the awards being based on the rate of 2 pesos to the dollar. Since those awards were made by the old Commission, the peso has been devalued, and in fairness it was necessary to provide for payment at the new rate which is approximately 4 to the dollar.

If the gentleman will yield further, I would just like to point out again that in spite of the heat of the argument that has been made on both sides, Mr. Gross, my friend, across from whom I sit in the Committee on Foreign Affairs, and sometimes we agree and sometimes we disagree, has said that he did not think the House conferees bargained in a tough fashion.

I do not violate any of the rules of the House, but it was put up to one of the Senate conferees before we got an agreement, that if they agreed to this language which the House proposed and which we are bringing back to you, that the Philippines would not like it, and he said, "Blank," a four-lettered word beginning with H, "With the Philippines? I couldn't care less after dealing with the House conferees." So I think he thought we were tough, and we were, and we did uphold the House position. But I submit to you, ladies and gentlemen, that when the House dealt with this problem last year we were ignorant of these letters which I quoted, from these two men who are former Philippine War Damage Claims Commissioners, about their plans to milk the taxpayers, and collect big fees for doing it.

The gentleman from South Dakota [Mr. BERRY] put in the RECORD a long history of this, if you have taken the trouble to read it, of these machinations and negotiations between two former War Claims Commissioners to get this paid. I say to you that this is the only chance I know of that we are going to have to rectify, partially at least, something that I think we would not have done if the whole complete situation and facts had been before us.

I have had many Members come to me privately and say, "I was with you when we beat this the first time; what position am I in now?" I think they are in

the same position I am in, trying to salvage whatever we can from a bad situation. My friend says that he wants to protect his rights as a member of the Appropriations Committee. If I may express an opinion, maybe he goes a little beyond that in this case. He talks about appropriating money. We are not appropriating anything. The money has been appropriated by those very gentlemen, and by the House, to the claimants. All we propose to do, if we can get this conference report called up, is to take away part of those appropriations, put some of it back in the Treasury and keep some of it for the President of the United States to decide what to do with it. And if he never decides to do anything it will always stay in the Treasury.

So it is not a question of appropriation, it is a question of saving something.

Mr. BOW. Mr. Speaker, will the gentleman yield to me?

Mr. BOLLING. I yield to the gentleman, briefly.

Mr. BOW. Mr. Speaker, the gentleman read from the report of the committee. I should like to read from the law itself, what it says about pesos.

SEC. 5. (a) Each award made under this Act shall be certified to the Secretary of the Treasury in terms of United States currency on the basis of the rate of exchange (that is P/2 equals \$1) which was applied in the Philippine Rehabilitation Act of 1946, for payment out of sums appropriated pursuant to section 8 of this Act.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the distinguished Speaker.

Mr. McCORMACK. The argument that this rule is brought up in violation of the Rules of the House is an erroneous one. This rule is brought up in accordance with the Rules of the House.

We are faced with a very difficult and practical situation. Unless this conference report is agreed to, the bill is on the statute books with \$73 million appropriated and the Commission has got to make the payments in accordance with the law.

The conferees on the part of the House, in my opinion, did a very excellent job under most trying circumstances. This bill in substance represents the viewpoint of the House and not the viewpoint of the other body. I hope the rule will be adopted and that the conference report will be agreed to.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. BOW. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 234, nays 166, not voting 32, as follows:

[Roll No. 108]
YEAS—234

Adair
Addabbo
Albert
Ashley
Aspinall
Baker
Baldwin
Barrett
Barry

Bass
Beckworth
Bennett, Fla.
Berry
Boggs
Boland
Bolling
Bolton,
Frances P.

Bonner
Brademas
Brooks
Broomfield
Brown, Calif.
Burke
Burkhalter
Burleson
Byrne, Pa.

Cameron
Carey
Chelf
Clark
Cleveland
Cohelan
Cooley
Corbett
Corman
Daniels
Davis, Ga.
Dawson
Delaney
Dent
Denton
Derounian
Diggs
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
Dwyer
Edmondson
Edwards
Elliott
Ellsworth
Everett
Fallon
Farbstein
Fascell
Feighan
Finnegan
Fisher
Flood
Fogarty
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Tenn.
Gallagher
Garmatz
Gialmo
Gibbons
Gilbert
Gill
Gonzalez
Grabowski
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Hagan, Ga.
Halpern
Hanna
Hansen
Harding
Hardy
Harris
Hays
Healey
Hébert
Hechler
Herlong
Holland
Horton
Hull

Abbitt
Abele
Abernethy
Alger
Anderson
Andrews
Arends
Ashbrook
Auchincloss
Avery
Ayres
Baring
Bates
Battin
Becker
Beermann
Bell
Bennett, Mich.
Betta
Bolton,
Oliver P.
Bow
Bray
Brock
Bromwell
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Bruce
Burton
Byrnes, Wis.
Cahill
Cannon
Casey

Ichord
Jennings
Johnson
Johnson, Wis.
Jones, Ala.
Karsten
Karth
Kastenmeier
Keith
Kelly
Keogh
Kilgore
King, Calif.
Kluczynski
Kunkel
Landrum
Lankford
Lesinski
Libonati
Lindsay
Long, La.
Long, Md.
McDowell
McFall
McIntire
MacGregor
Madden
Mailliard
Martin, Mass.
Mathias
Matsunaga
Matthews
May
Meador
Miller, Calif.
Mills
Minish
Monagan
Moorhead
Morgan
Morris
Morrison
Morse
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Nedzi
Nix
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
O'Neill
Osmers
Passman
Patman
Patten
Pepper
Perkins
Philbin
Pike
Poage
Powell
Price
Pucinski
Purcell
Rains

NAYS—166

Cederberg
Chamberlain
Chenoweth
Clancy
Clausen,
Don H.
Clawson, Del.
Collier
Colmer
Conte
Cunningham
Curtin
Curtis
Dague
Derwinski
Devine
Dole
Dowdy
Findley
Fino
Ford
Foreman
Forrester
Fulton, Pa.
Fuqua
Gary
Gathings
Gavin
Glenn
Goodell
Goodling
Grant
Gross
Gubser
Gurney

Randall
Reid, N.Y.
Reifel
Reuss
Rhodes, Pa.
Rivers, Alaska
Roberts, Ala.
Roberts, Tex.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Roosevelt
Rosenthal
Rostenkowski
Roush
Roybal
Ryan, Mich.
Ryan, N.Y.
St. Germain
St. Onge
Secret
Selden
Shelley
Shipley
Shriver
Sibal
Sickles
Sisk
Slack
Smith, Calif.
Smith, Va.
Springer
Staebler
Stafford
Staggers
Stephens
Stratton
Stubblefield
Sullivan
Teague, Calif.
Thomas
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Toll
Trimble
Tupper
Tuten
Udall
Ullman
Van Deerlin
Vanik
Vinson
Waggonner
Waldbaum
Watts
Welner
Whalley
White
Wickersham
Widnall
Willis
Wilson,
Charles H.
Wright
Wyder
Young
Zablocki

McMillan	Pool	Skubitz
Mahon	Qule	Snyder
Marsh	Reid, Ill.	Steed
Martin, Calif.	Rhodes, Ariz.	Stinson
Martin, Nebr.	Rich	Talcott
Michel	Riehlman	Taylor
Milliken	Rivers, S.C.	Tollefson
Minshall	Rooney	Tuck
Montoya	Roudebush	Utt
Morton	Rumsfeld	Van Pelt
Mosher	St. George	Watson
Natcher	Saylor	Weaver
Nelsen	Schadeberg	Westland
Norblad	Schenck	Wharton
O'Konski	Schneebell	Whitener
Ostertag	Schwelker	Whitten
Pelly	Schwengel	Williams
Pilcher	Scott	Wilson, Bob
Pillion	Short	Wilson, Ind.
Pirnie	Sikes	Wyman
Poff	Siler	Younger

NOT VOTING—32

Ashmore	Hagen, Calif.	Quillen
Belcher	Hawkins	Robison
Blatnik	Holfield	Senner
Buckley	Johnson, Calif.	Sheppard
Celler	Jones, Mo.	Smith, Iowa
Cramer	Kee	Taft
Daddario	Leggett	Teague, Tex.
Davis, Tenn.	Macdonald	Thompson, La.
Evins	Miller, N.Y.	Thornberry
Flynt	Moore	Winstead
Griffin	O'Brien, Ill.	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Sheppard for, with Mr. Cramer against.
Mr. Buckley for, with Mr. Winstead against.
Mr. Daddario for, with Mr. Miller of New York against.

Mr. Belcher for, with Mr. Robison against.
Mr. Celler for, with Mr. Moore against.

Until further notice:

Mr. Thompson of Louisiana with Mr. Griffin.

Mr. Johnson of California with Mr. Taft.
Mr. Blatnik with Mr. Quillen.
Mr. Evins with Mr. O'Brien of Illinois.
Mr. Holfield with Mr. Leggett.
Mr. Teague of Texas with Mrs. Kee.
Mr. Davis of Tennessee with Mr. Ashmore.
Mr. Hagen of California with Mr. Flynt.
Mr. Macdonald with Mr. Senner.
Mr. Hawkins with Mr. Smith of Iowa.

Mr. HULL changed his vote from "nay" to "yea."

Messrs. FULTON, HARSHA, COLLIER, and MAHON changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FOREIGN SERVICE BUILDINGS—PHILIPPINE WAR DAMAGE CLAIMS

Mr. HAYS. Mr. Speaker, I call up the conference report on the bill (H.R. 5207) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 497)

The committee of conference on the disagreeing votes of the two Houses on the

amendment of the Senate to the bill (H.R. 5207) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Sec. 3. (a) The first Section of the Act entitled 'An Act to authorize the payment of the balance of awards for war damage compensation made by the Philippine War Damage Commission under the terms of the Philippine Rehabilitation Act of April 30, 1946, and to authorize the appropriation of \$73,000,000 for that purpose', approved August 30, 1962 (50 App. U.S.C. 1751-1785 note; Public Law 87-616), is amended by inserting before the period at the end of the second sentence thereof a comma and the following: 'or \$25,000, whichever is the lesser'.

"(b) Section 6 of such Act is amended by inserting immediately before the first sentence therein the letter '(a)'; by striking the word 'section' in the last two sentences therein and inserting the word 'subsection'; and by adding the following new subsection:

"(b) Notwithstanding the provisions of subsection (a), no sum shall be paid by any claimant directly or indirectly to, or received or accepted by, any former commissioner or employee of the Philippine War Damage Commission or their assigns, or any person employed by or associated with any such former commissioner or employee in connection with the preparation, filing, allowance, or collection of any claim under this Act, as compensation on account of services rendered or as reimbursement on account of expenses incurred in connection with any application filed under this Act. Whoever, subject to the jurisdiction of the United States, makes a payment in violation of the provisions of this subsection shall be fined not more than \$5,000 or imprisoned for not more than one year or both. Whoever, subject to the jurisdiction of the United States, receives or accepts a payment in violation of this subsection, shall be fined not more than \$5,000 or imprisoned for not more than 5 years or both. Whoever, subject to the jurisdiction of the United States, receives or accepts a payment in violation of this subsection, shall forfeit to the Government of the United States a sum equal to three times the amount of such payment, and the Commission shall take action to recover such sum from the person receiving the payment."

"(c) Section 5(a) of such Act is amended by striking out the next to the last sentence thereof and inserting in lieu thereof the following: 'Any balance of the appropriation made pursuant to section 8 remaining after the payments authorized by the first section of this Act have been made and after any administrative expenses incurred by the Commission in connection with such payments have been paid shall be paid into a special fund in the United States Treasury to be used for the purpose of furthering educational exchange and other educational programs to the mutual advantage of the Republic of the Philippines and the United States in such manner as the Presidents of those two Republics shall from time to time determine. There shall be withheld from the payment authorized by the preceding sentence a sum equal to the difference between \$73,000,000 (less administrative expenses) and the total amount which would have been paid to the claimants under the provisions of P.L. 87-616, which sum shall revert to the general funds

in the United States Treasury. The acceptance by any claimant of a payment under this Act shall be considered to be in full satisfaction and final settlement of all claims of such claimant arising out of awards for war damage compensation made by the Philippine War Damage Commission'."

And the Senate agree to the same.

WAYNE L. HAYS,
CLEMENT J. ZABLOCKI,
EDNA F. KELLY,
E. ROSS ADAIR,
WM. MAILLIARD,

Managers on the Part of the House.

J. W. FULBRIGHT,
JOHN SPARKMAN,
HUBERT H. HUMPHREY,
BOURKE B. HICKENLOOPER,
GEORGE D. AIKEN,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5207) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

SENATE AMENDMENT

The Senate amendment added at the end of the House bill a new section 3 amending existing law (the act entitled "An act to authorize the payment of the balance of awards for war damage compensation made by the Philippine War Damage Commission under the terms of the Philippine Rehabilitation Act of April 30, 1946, and to authorize the appropriation of \$73,000,000 for that purpose", approved August 30, 1962 (Public Law 87-616)), to provide for a lump-sum payment (not to exceed \$73,000,000) by the Government of the United States to the Government of the Republic of the Philippines of the balance of awards for war damage compensation heretofore made by the Philippine War Damage Commission under the terms of title I of the Philippine Rehabilitation Act of 1946, upon receipt by the Secretary of State of assurances satisfactory to him that such payment would be received in full satisfaction of all claims arising out of such awards and that no part of such payment would be paid, directly or indirectly, to any former Commissioner or employee of the Philippine War Damage Commission as compensation for services rendered as agent or attorney in connection with any such claim. The Senate amendment also provided for the transfer to the Government of the Republic of the Philippines of all documents (other than internal documents of any agency of the United States) currently held by the Foreign Claims Settlement Commission relating to unpaid claims arising out of war damages in the Philippines.

EXISTING LAW (PUBLIC LAW 87-616)

Under existing law (Public Law 87-616), the Foreign Claims Settlement Commission is required to provide for payment to individual claimants of the balance of awards for Philippine war damage compensation. In addition to appropriate administrative provisions included to facilitate the task of the Commission, existing law provides that the balance of any appropriations made to pay the balance of such awards (after payment of all approved claims) shall revert to the U.S. Treasury, and prohibits any payment of remuneration for services rendered to any claimant which exceeds 5 percent of the amount paid to the claimant on account of his application. Any agreement to the

contrary is declared to be unlawful and, in addition to a penalty of \$5,000 or imprisonment for one year (or both) which is applicable to any violation of such prohibition by anyone subject to the jurisdiction of the United States, the Foreign Claims Settlement Commission is required to take action to recover any payment made in violation of such prohibition. The sum of \$73,000,000 was appropriated by title V of the Foreign Aid and Related Agencies Appropriation Act, 1963, for the payment of the balance of awards for Philippine war damages.

CONFERENCE AGREEMENT

The committee of conference agreed to a modification of the Senate amendment which retains the approach adopted by existing law of making payments of the balance of awards for Philippine war damages directly to individual claimants through the Foreign Claims Settlement Commission and amends existing law to include the following new provisions:

1. Notwithstanding the maximum amount of any payment to which a claimant otherwise would have been eligible to receive under Public Law 87-616, as originally enacted, no payment in excess of \$25,000 will be made to any claimant under the conference agreement.

2. The conference agreement continues the prohibition in existing law against payment or receipt of an amount in excess of 5 percent of any claim as remuneration for services rendered in connection therewith, together with the penalties applicable thereto. In addition, however, the conference agreement specifically provides that no former Commissioner or employee of the Philippine War Damage Commission or their assigns, and no person associated with any such Commissioner or employee in connection with any claim filed under Public Law 87-616, will be eligible to receive any remuneration whatever in connection with any such claim. Anyone who pays remuneration in violation of this prohibition will be subject to a fine of \$5,000 or imprisonment for one year, or both. Anyone who receives remuneration in violation of such prohibition will be subject to a fine of \$5,000 or imprisonment for five years, or both, and, in addition, the Foreign Claims Settlement Commission will be required to take action to recover from anyone receiving such remuneration an amount equal to three times the amount of remuneration received. These penalties will be applicable to any person subject to the jurisdiction of the United States.

3. The acceptance by any claimant of a payment under the provisions of Public Law 87-616 will be considered to be in full satisfaction and final settlement of all claims of such claimant arising out of awards for war damage compensation made by the Philippine War Damage Commission.

4. After payment of all approved claims, and administrative expenses incurred in connection therewith, the balance of sums appropriated pursuant to Public Law 87-616 will be placed in a special fund in the U.S. Treasury to be used for the purpose of furthering educational exchange and other educational programs to the mutual advantage of the Republic of the Philippines and the United States, except that there shall be withheld from such special fund a sum equal to the difference between \$73,000,000 (less administrative expenses) and the total amount which, except for the \$25,000 maximum payment permitted under the conference agreement, would have been paid to claimants who file applications under Public Law 87-616, which sum will revert to the general fund of the U.S. Treasury. The effect of this change in existing law is to provide that the amounts in excess of \$25,000 originally authorized to be paid to claimants will be reserved for the special fund for educational purposes, and to assure that the funds which would have reverted

to the Treasury under Public Law 87-616, as originally enacted, would still revert to the Treasury.

WAYNE L. HAYS,
CLEMENT J. ZABLOCKI,
EDNA F. KELLY,
E. ROSS ADAIR,
WM. S. MAILLARD.

Managers on the Part of the House.

Mr. HAYS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, it is not my purpose to take the time of the House to rehash all these arguments. The Rules Committee was most generous in giving us on the committee of conference time to explain what the committee of conference did.

I merely point out again that if we do not take this action, if we do not accept this conference report, the money will be paid to the claimants. The big claimants who hired these lobbyists will get their funds and will pay the lobbyists. As I said before, I was against this whole thing. I think this is the best we can do to solve it. I really think this will be far better than letting the existing law stay in effect and in force.

I realize that some people are against waiving points of order. That is perfectly all right. Everyone has a right to his own opinion. But now that that has been settled, and I was prepared to accept it if it went the other way, I hope the House will consider the conference report on its merits. I think the House conferees have gotten their viewpoint across that the small claimants will be paid, that the people who have claims of \$25,000 or less will be paid in full, and those who have larger claims will get at least \$25,000. I think the balance of the money will be put to use as stipulated.

I do not propose to take any more time. I will try to answer any questions, but I shall not attempt to drag this out.

Mr. Speaker, I reserve the balance of my time, and yield 5 minutes to the ranking member of the Committee on Foreign Affairs, the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON].

Mrs. FRANCES P. BOLTON. Mr. Speaker, I yield to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Speaker, I, too, urge the House to adopt this conference report. It ought to be said again, I think, that the \$73 million about which we are talking here has been authorized and appropriated. By this action we are laying down certain guidelines with respect to it. We are setting up certain safeguards. These safeguards relate to the disposition of funds already appropriated. These funds will be divided into three categories: First, the funds which will go to pay the claimants and which will be subject to an individual ceiling of \$25,000; second, those which will revert to the Treasury of the United States; and third, those which will be saved as a result of the application of the \$25,000 ceiling and which will constitute the scholarship fund.

I would say further that by adopting this report you are writing a criminal penalty against those who give or take bribes in this connection, and I am sure that is the thing which the Members of this House want to do. This is the best

solution, in my opinion, of a very difficult situation. I urge the adoption of the conference report.

Mr. HAYS. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Speaker, I rise in support of the conference report and urge its adoption.

Mr. Speaker, I would like at this time to commend the chairman of the House conferees for his determined effort to sustain the position of the House on this legislation.

As all of my colleagues know, as chairman of the Subcommittee on the Far East and the Pacific of the Committee on Foreign Affairs, I have certain responsibility for legislation affecting that area of the world. Legislation dealing with the Philippine war damage claims falls into that category. My only interest in the measure before us today is to see to it that the intent of the Philippine Rehabilitation Act of 1946, an act approved before I was elected to the Congress and finalized by the 1962 amendments, be carried out as efficiently, as economically, and as honestly as possible.

I believe that the conference report works in that direction and has real merit. It upholds the principle of direct payments to claimants approved by the Congress in 1946 and again last year. It inhibits potential abuses by limiting the amount of individual payments to \$25,000 and by placing stiff penalties for violations of the proposed restrictions on lobbyists and those who would attempt to secure improper profit under this program. And it conforms to the intent of the 1946 law by promoting the rehabilitation and economic development of the Philippine Republic.

Mr. Speaker, I am not entirely happy with the provision of the conference report which sets up the special educational fund. I would much rather see all of the money saved by the \$25,000 limitation revert to the Treasury of the United States. However, the Senate conferees were adamant on this point and we had to accept this compromise or come back to the House without any agreement.

Even with this reservation, I strongly support the conference report. I believe that a vote for the conference report is a vote reiterating our desire to discharge our obligation to the Filipino claimants, and a vote to curtail abuses. A vote against the conference report will point in the opposite direction. Such a vote can be interpreted as indicating that this body is not interested in curtailing abuses. Let there be no mistake about it. A failure to adopt the conference report can possibly permit certain individuals whose activities have been exposed recently to profit unduly from this program.

For these reasons, I strongly urge the adoption of the conference report.

Mrs. KELLY. Mr. Speaker, I rise in support of the conference report on the Foreign Service buildings—Philippine war damage claims legislation.

As we all know, the basic issue dealt with in this report goes back to 1946.

The Congress at that time decided to pay certain war damage claims directly to individual claimants in the Philippines. In 1962, we passed legislation to pay off the balance outstanding on these claims. This legislation is on the statute books today. The conference report modifies it in three important respects:

First, it limits the payments to \$25,000.

Second, it imposes stiff penalties on anyone who will pay any fee in conjunction with these claims to former members and employees of the Philippine War Damage Commission—and penalties on those accepting such fees; and

Third, it puts aside the funds which will be saved by the application of the \$25,000 limit into a special fund to be used for educational purposes in the Philippines.

I am not entirely happy with this conference report. I accept the \$25,000 limitation and the penalties imposed on lobbyists. At the same time, I would much prefer to see the savings resulting from the application of the \$25,000 maximum revert to the Treasury of the United States.

As the chairman of the House conferees has explained, however, it was impossible for us to obtain this concession from the other body. We have held meeting after meeting, and we insisted on the House position. In the end, however, faced with a complete deadlock, we accept this compromise.

I believe that from an overall view, the compromise contained in the conference report is a good one. The limitations and the penalties can be applied and the money which will be put into the special fund will be used for a purpose directly connected to the intent of the original 1946 act. There is no better way to promote the economic development of a nation than by improving its education.

For these reasons I urge the adoption of the conference report.

Mr. Speaker, I do, however, urge that the House Committee on Rules report the rule referred to by the gentleman from Ohio [Mr. Brown] which would prevent future action by the other body to attach to bills passed by the House amendments which are not germane to bills passed by the House of Representatives and sent to them for action.

Mr. HAYS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. HAYS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the Record on the subject of the conference report.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

IT IS TIME WE RESTRICTED THE REA A BIT

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. TEAGUE of California. Mr. Speaker, I recently introduced a bill, H.R. 5065, proposing that borrowing from the Government by rural electrification co-operatives must be at the rate of interest that the Government itself has to pay for money in the open market, instead of at the 2-percent rate that the REA co-ops now pay under a law which was passed by the Congress nearly 20 years ago.

No one questions the good work that the Rural Electrification Administration has done in the past. It has brought electric power and light to rural areas all over the United States. But it is a well-known fact that 98 percent of its appointed job is now finished—that only about 2 percent of our rural areas remain in darkness.

Yet, Mr. Speaker, the REA co-operatives continue to be a terrific drain upon the Treasury as they expand their field of operation into generation and transmission activities and into suburban areas, often in direct competition with established taxpaying utilities.

And this expansion is with 2-percent money, because an old law says so, even when the Government itself must pay 4 percent in the open market. It is estimated that, because of this rate-of-interest preference, the REA's have profited by an extra \$240 million and the taxpayers are out of pocket to the tune of nearly a quarter of a billion dollars.

This should not be, and my original bill, H.R. 5065, sought to correct the situation.

Somewhat to my surprise, Mr. Speaker, a tremendous interest has developed in the matter. Other bills have been introduced in the House and in the Senate. One of them, S. 1926, introduced by Senator LAUSCHE of Ohio—with the cosponsorship of Senator BENNETT of Utah—appears to me to cover the whole matter far more adequately than my first bill.

I therefore today introduce a bill duplicating Senator LAUSCHE's proposed amendment of the Rural Electrification Act.

The bill, too, will eliminate the 2-percent rate of borrowing and require the REA's to pay the same rate paid by the Government on its borrowings.

It will further require the REA's to confine their activities to the rural areas, as was provided in the act of 1936.

It is obvious that adoption of this proposal will save money for the Government—and, therefore, for all taxpayers. It will continue to provide for the extension of electric power and light into those rural areas that have not yet been serviced, but it will, I hope, end a growing and quite needless competition with and duplication of existing generation and transmission facilities.

Public funds will be saved, Mr. Speaker, if the Congress will act on the matter at the present session.

TFX WARPLANE CONTRACT

Mr. BROCK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BROCK. Mr. Speaker, there has been much conversation of late about the unusual factors behind the decision on the multimillion-dollar TFX warplane contract.

In the July 24 issue of the Washington Evening Star there appeared a most disturbing article concerning Navy Secretary Fred Korth's actions before the Senate committee investigating the TFX contract.

Korth stated that he very much resented being asked by a member of this committee, namely Senator KARL MUNDT, of South Dakota, what safeguards he might have taken to avoid any conflict of interest. In light of the fact that Secretary Korth was the president and is currently a stockholder of the Continental Bank in Fort Worth which approved a loan of several hundred thousand dollars to General Dynamics who was awarded this contract, I think the Senator's question was most pertinent.

Also I think it is interesting to note that only last week our distinguished colleague from Iowa, Representative Gross, brought to the attention of this House some most shocking facts concerning Secretary Korth's personal involvement in the background of General Dynamics and the awarding of this contract to them. Because of Korth's unethical practices and personal involvement, Gross stated that he should be fired.

The record of the Senate committee reveals that this summer Secretary Korth stated:

I am aware that public confidence in our public processes demands not only impartiality, but also the appearance of impartiality. Conscious that my home is in Fort Worth and recognizing the minor part that the Navy has in the total procurement, I therefore deliberately refrained from taking a lead role in reaching the decision and consciously viewed the two proposals with complete objectivity.

If Secretary Korth wanted to retain public confidence in the governmental processes, he should have:

First. Divorced himself completely from the TFX decision because of the close relationship with General Dynamics.

Second. Told the Senate committee of his stock ownership in the Fort Worth bank which has a large amount of money tied up in the future of General Dynamics, the TFX contract holder, instead of making the misleading statement that he was "conscious that my home is in Fort Worth."

Third. Instituted safeguards to assure that defense contracts are awarded impartially.

The entire TFX affair has many complex ramifications. Even so, one thing is clear—there were conflicts of interest, and the public is entitled to have safeguards in decisionmaking to protect the integrity of the governmental processes. It is proper for Congress to inquire into safeguards being instituted to assure the honesty and integrity of not only the system but also the men administering it. Navy Secretary Fred Korth was completely off base when he suggested otherwise.

In view of these many inconsistencies and the ultimate awarding of the TFX contract to General Dynamics, I think that the article that appeared in the Washington Evening Star is most timely and should be brought to the attention of each Member of Congress. Under unanimous consent, I ask that this article be included in the RECORD today.

KORTH ANGRILY DEFENDS HONESTY IN TFX AWARD

Navy Secretary Fred Korth angrily told Senate investigators he will resign if they find reason to challenge the integrity of his role in the TFX warplane contract award.

And he fired back at Senator MUNDT, Republican, of South Dakota: "I resent, sir, even your asking me what safeguards I might have taken to be an honest man."

Mr. Korth testified he is a former president and still a stockholder of a Fort Worth, Tex., bank which loaned money to the General Dynamics Corp., the company which won the TFX contract. He agreed also he is a friend of several of the firm's past and present top officials.

NOT INFLUENCED, HE INSISTS

But he denied that the loan, made shortly before he became Navy Secretary, was any reason for him to disqualify himself from participating in the subsequent negotiations in which General Dynamics won the TFX contract.

He also swore there was no influence involved in his recommendation that General Dynamics should get the contract despite military evaluations that a rival design and proposal by the Boeing Co. promised a better, cheaper version of the TFX (tactical fighter, experimental) plane.

He told the Senate Investigations Subcommittee he had discussed the TFX project privately with officials of both General Dynamics and Boeing, but added:

"I certainly hope it is clear—certainly I intend for it to be clear—that there was no, repeat no, influence of any character exerted on me by any of the individuals who called upon me, or by any group who called upon me."

ON STAND 8 DAYS

Winding up 8 days of testimony, he renewed his insistence that the contract was awarded on merit alone. The subcommittee made public a censored transcript of the last of his testimony today.

"I am a man of integrity," Mr. Korth blazed out in one heated exchange with Senator MUNDT, who had asked about the ethical standards the Secretary had used in the negotiations.

"If you find, or this committee finds that I am not, certainly you should so recommend to the President, and I will promptly hand in my resignation," Mr. Korth declared.

The Secretary testified he was president of Continental National Bank of Fort Worth when the bank loaned money to General Dynamics not long before Mr. Korth's ap-

pointment to his Pentagon post. No specific date was mentioned and the subcommittee left out of its public transcript the amount of the loan, which Mr. Korth said was less than \$600,000. He said he still owns stock in the bank.

General Dynamics' Fort Worth division is to perform much of the TFX contract, with the Grumman Aircraft Engineering Corp. of Bethpage, N.Y., as its chief subcontractor.

Senator MUNDT referred to Mr. Korth's business interest in Fort Worth, and his role in negotiating a big Fort Worth contract.

"I don't say it is impossible but I think it would stagger a Solomon to look objectively at a contract that meant as much to your community as this one would," Senator MUNDT said. He asked Mr. Korth to state "what safeguards you surrounded yourself with to be sure that you were actually acting objectively."

Persons who were in the room said Mr. Korth clearly showed anger as he replied: "Senator MUNDT, it didn't stagger me at all because I knew that I had a responsibility in taking an oath to my Government to discharge my responsibilities in a fair, impartial, and proper manner."

"I resent, sir, even your asking me what safeguards I might have taken to be an honest man," Mr. Korth added.

LAKE ASHLEY, UTAH

Mr. BURTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. BURTON. Mr. Speaker, today I am introducing a resolution to name the lake created by the Flaming Gorge Dam in northeastern Utah, Ashley Lake. This name was selected as the most appropriate after much research and consulting with various people in Utah.

The name Ashley would be a tribute to the great explorer and fur trader, William Henry Ashley, who played a significant part in opening up the West. It was Ashley who first made the trip down the Green River through the Flaming Gorge, a feat that few since have succeeded in accomplishing. It has been navigated less than half a dozen times, and usually with specially constructed craft, while he descended its turbulent waters in buffalo-skin boats. In his diary, Ashley reported:

We passed along between these massy walls, which to a great degree excluded from us the rays of heaven and presented a surface as impassable as their body was impregnable, and I was forcibly struck with the gloom which spread over the countenances of my men. They seemed to anticipate (and not far distant, too) a dreadful termination of our voyage; and I must confess that I partook in some degree of what I supposed to be their feelings, for things around us had truly an awesome appearance.

A study of Ashley's life shows him to be a courageous explorer, and a Congressman who proved himself to be an active champion of western measures.

The beauty surrounding Utah's new lake is truly a sight to behold. The majestic mountains surrounding the lake provide, by their brilliant red canyons, the name by which the dam is known—

Flaming Gorge. I firmly believe that the name Congress chooses for this outstanding scenic attraction should be worthy of its magnificence. To my knowledge, the only name which meets this standard is Ashley. If I may, as a Utahian, be permitted to paraphrase—Ashley was a man to match our mountains.

This would also correspond with action taken on that other great structure of the upper Colorado River project—Glen Canyon Dam. The 180-mile-long lake behind Glen Canyon Dam is named Powell Lake after John Wesley Powell, the first man to navigate the Colorado through Glen Canyon.

FAIR SHARE LAW

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, pursuant to the provisions of the act of July 14, 1960—Public Law 86-648—the so-called fair share law, enabling the United States to participate in the resettlement of certain refugees, the Attorney General is directed to forward to the Congress every 6 months a report on administrative operations authorized under that law.

In view of the continuous interest of my colleagues in the House and for their information, I wish to include in the RECORD at this point the Sixth Semi-annual Report of the Commissioner of Immigration and Naturalization covering the operations from January 1 to June 30, 1963, together with a summary covering the preceding five semiannual periods.

Detailed case reports on each person paroled into the United States are in the custody of the Committee on the Judiciary and are available for inspection by any Member of the House at the office of Subcommittee No. 1 at 327 Cannon Building.

The report which is addressed to the Speaker of the House of Representatives is as follows:

JULY 25, 1963.

HON. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Refugee operations under the act of July 14, 1960, as amended by the act of June 28, 1962, were continued in Austria, Belgium, France, Germany, Greece, Italy, and Lebanon during the 6-month period ending June 30, 1963. This was the 6-month period of operations under the act. Based upon report of the Secretary of State as to the number of refugee escapees who during the preceding 6-month period availed themselves of resettlement opportunities offered by other nations, the number authorized by statutory fair share during the period covered by this report was 1,923. During the period, 1,954 refugees registered under the act, and 1,649 were found qualified for parole.

Including the period ending June 30, 1963, the total number of refugee escapees authorized by statutory fair share totaled 20,898.

The total number of refugees who had registered since the beginning of the program

exceeded this number by only 2,868. Statistics for the program are tabulated below:

	1st through 5th periods	6th period	Total
Authorized by statutory fair share.....	18,075	1,923	20,898
Pending beginning of period.....		457	
Registered during period.....	21,812	1,954	23,766
Total registered (pending plus received).....	21,812	3,411	
Found qualified for parole.....	12,918	1,649	14,567
Rejected or otherwise closed.....	8,437	559	8,996
Pending end of period.....	457	293	

¹ During the 6th period, 1,108 cases, previously reported as found qualified for parole, were closed because the applicants had taken advantage of resettlement in other countries, had abandoned or withdrawn their applications, or for other reasons. Accordingly, the number previously reported as "found qualified for parole" has been reduced by this number, and the number previously reported as "rejected or otherwise closed" has been increased by a like number.

Section 2(b) of the act provides for a numerical limitation of 500 difficult-to-resettle cases. Necessary assurances having been received, 344 refugees have been approved under this section as difficult to resettle and have been referred to the Intergovernmental Committee for European Migration for transportation. An additional 20 have been referred to the voluntary agencies for documentation under this section.

Assurances of housing and employment having been received, a total of 13,354 refugees, including the 344 approved under section 2(b) of the act, have been referred to the Intergovernmental Committee for European Migration for transportation to the United States. As of June 30, 1963, a total of 11,823 had arrived in the United States, as follows:

Country of flight	During 1st 5 periods	During 6th period	Total
Albania.....	371	12	383
Bulgaria.....	173	8	181
Czechoslovakia.....	12	1	13
East Germany.....	4	1	5
Estonia.....	14	0	14
Hungary.....	1,149	74	1,223
Iraq.....	6	6	12
Jordan.....	0	2	2
Latvia.....	66	1	67
Lithuania.....	39	0	39
Poland.....	824	47	871
Rumania.....	1,793	303	2,096
Syrian Arab Republic.....	39	1	40
Turkey.....	7	1	8
United Arab Republic (Egypt).....	1,797	561	2,358
U.S.S.R.....	87	3	90
Yugoslavia.....	3,941	480	4,421
Total.....	10,322	1,501	11,823

Continuation of established screening procedures resulted in the rejection of 364 applicants during the period, on the following grounds:

Ineligible.....	187
Security risks.....	17
Criminal.....	10
Medical rejects.....	2
Immorality.....	1
Undesirability.....	28
Split families (spouses and children left behind in country of origin).....	19
Firmly settled.....	38
Spouses and children of above principals.....	62
Total.....	364

Registrations of applicants in the various countries, since the beginning of the program, have been as follows:

Country	In camp	Out of camp	Total
Austria.....	905	2,049	2,954
Belgium.....		1,480	1,480
France.....		7,760	7,760
Germany.....	593	2,977	3,570
Greece.....	840	229	1,069
Italy.....	3,464	887	4,351
Lebanon.....		2,582	2,582
Total.....	5,802	17,964	23,766

During the sixth period, registrations of refugees were as follows:

Camp residents.....	460
Out-of-camp residents.....	1,494
Total.....	1,954

The following number of aliens, who have been in the United States for at least 2 years after their parole as refugee-escapees, have been inspected and examined for admission, and accorded the status of permanent residents under section 4 of the act:

During 5th period.....	242
During 6th period.....	1,520
Total.....	1,762

In compliance with the provisions of section 2(a) of the act, detailed reports on individuals paroled into this country are attached.

Sincerely,

RAYMOND F. FARRELL,
Commissioner.

FOREIGN AID ATTACK

Mr. STAEBLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. STAEBLER. Mr. Speaker, I think that it is important that the Members of this body note what appears to be the beginning of a massive propaganda campaign against the concept of foreign aid. Such a campaign could, if successful even in part, seriously cripple the efforts of the United States to maintain and improve its influence and position in world affairs.

On Wednesday, July 24, each Member of the Congress received a copy of a Reader's Digest magazine article, reprinted in advance of its actual publication. It was accompanied by a letter advising us to read the article and be guided thereby. If someone wanted to cripple the foreign aid bill, this article could not have been distributed at a better time.

This article is a clever collection of distortion, half-truth and innuendo.

It takes quotations out of context. It quotes unsubstantiated charges in such a way as to present them as facts. It omits vital aspects of a foreign policy question, twisting the situation to such lengths that a course of action soundly based on foreign policy considerations appears ridiculous. It is an excellent

hatchet job. Its implication is that we who support this program, including four Presidents, are either dupes or fools.

Next to our Defense Establishment, foreign aid is the single best tool of our Government in its efforts to fortify our national security. It is vital in our efforts to bring peace and stability in a troubled world, to influence other nations toward a course of independence and freedom, and in some places, in truth, to fight the very cold war battle that this article accuses us of shirking.

I would like to compare this article with President Eisenhower's own most recent statement on foreign aid, made in an article in the Saturday Evening Post, in which he advocated reductions in the Federal budget in almost every area of Government activity. The sole exception to his demands for spending cuts—the sole exception—was this matter of foreign aid.

This is what General Eisenhower said:

Finally, a few words about the most misunderstood and controversial of all Federal expenditures—foreign aid. Never has there been any question in my mind as to the necessity of a program of economic and military aid to keep the free nations of the world from being overrun by the Communists. It is that simple. Such a program, if well-run and kept within the limits we can afford, offers the United States one of its best bargains in national security.

Unfortunately, foreign aid has suffered through its history from political maneuvering and lack of stability. Congressmen seeking reelection have found it a handy issue to kick around. They go back home and stir up voters with speeches saying, "You can be sure I'm not going to vote to give your money to Timbuktu when you good people so badly need more schools and hospitals." Because of this and other political factors, foreign aid never has been planned or administered on a long-range basis, although we know the Communist threat is going to be with us for a long time to come. Back in 1953, we inherited a foreign aid budget of \$7.6 billion and we cut expenditures to a more reasonable \$4.8 billion, hoping to build a steady-going program. But we never were able to get Congress to assure the program the continuity in funds and personnel that is absolutely necessary if this important work is to attract and hold experienced, dedicated people.

That is why I agree with the recommendations of the Committee to Strengthen the Security of the Free World, headed by Gen. Lucius D. Clay. The Clay report follows the guidelines of rule of reason that I have been talking about. It recognizes that we should not increase the burden of foreign aid at this time but should strengthen the program in areas where our purposes are best served while phasing it out in areas where it is not effective. I applaud the administration for accepting the terms of the report and hope that Congress will act favorably on it.

A reading of this article, entitled "Let's Stop Sending U.S. Dollars To Aid Our Enemies," shows that much of its attack is directed at the food-for-peace program. It states that sales of food under title I of Public Law 480 are not sales, and proceeds from there to denounce these sales as foreign aid without regard for humanitarian, political, or economic reasons for these sales. It completely ignores any mention of the advantage to the United States of disposing, in a productive way, of the vast

stocks of farm surpluses which we are storing at great expense to the taxpayers.

I will not attempt to argue this article's attacks point by point, but those familiar with the foreign aid program can see at a glance a few glaring examples of the biased technique used.

It quotes, for example, a single sentence from a long essay on foreign aid by Dr. Hans Morgenthau of the University of Chicago. That sentence was: "The United States has yet to develop an intelligible theory of foreign aid." It followed this sentence with unrelated quotes from others which lead the reader to think that Dr. Morgenthau was advocating abolition of foreign aid. That is not the case. Dr. Morgenthau was advocating his own theory of foreign aid, a theory which involved greater recognition of the political uses of aid as against economic uses; his aim was to strengthen, not destroy, the program.

The article describes the Clay committee, whose report has formed the basis for much of this year's opposition to foreign aid, as a "proaid" group.

This is hardly an objective description of a committee comprised chiefly of conservative businessmen whose views on aid have been opposed by most of the traditional supporters of foreign aid.

Again, in discussing the controversial and undecided Bokaro steel mill proposal for India, the article states that the project was investigated by "150 technicians, appointed by AID." These 150 technicians were officials or contractors of the United States Steel Corp., operating under contract, which is significantly different. Even the United States Steel conclusion was distorted. The article said the "technicians" were "unable to prove that the venture is feasible," whereas the facts are that United States Steel did find that the venture was feasible, without recommending whether it should be done.

Another clear instance of exaggeration involved the discussion of the expropriation of American interests in Ceylon. The article indicated that the U.S. Government timorously delayed 6 months in enforcing the Hickenlooper amendment in Ceylon, whereas the fact is that the law provides for a 6-month period during which negotiations for settlement of expropriation claims are to take place.

The article talks about "aid" to Algeria, and charges that this promotes socialism. It does not mention that this aid was food relief to starving people, administered by U.S. charitable agencies. Nor does it mention that, perhaps as a result of this aid communism has been outlawed in Algeria.

There are dozens more of these examples.

Perhaps the most amazing aspect of this article is its conclusion. After lambasting the use of foreign aid funds by the U.S. Government, and claiming that all of this has helped our enemies, it ends up by advocating that we turn over to international banks and organizations the administration of this program.

This is a course of action in which many sincere people believe. But it is not a logical outgrowth of the earlier

attacks on the program, unless the aid opponents take the position that international organizations are better able and more determined to protect the security of the United States than is the U.S. Government itself. And, consistently inconsistent though this article may be, I do not think they meant to go that far.

No one can argue against the right of the magazine to print this discussion of foreign aid, although I believe a good case can be made against the writer's objectivity.

I do not suppose we should object, either, to the magazine tossing pre-made reprints of the article on our desks in an attempt to influence legislation. They have to build readership.

I do suggest, however, that in the interest of fair reporting, Reader's Digest subscribers should have an opportunity to hear the other side of the case, perhaps from Secretary of State Rusk or AID Administrator David Bell.

I look forward to this possibility.

PETITION FOR THE 24TH AMENDMENT

Mr. BECKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, every Member of the House now knows by correspondence from me and statements I have made on the floor that I have Discharge Petition No. 3 at the desk and have asked Members to sign it, in order to bring before this House legislation that would amend the Constitution to permit prayer in public schools and public places, in an attempt to preserve the spiritual heritage of this Nation as exemplified in "In God we trust," and in the Pledge of Allegiance the expression "under God."

I am asking the Members to sign that petition. We have quite a number now and we are getting more every day. I shall include in the RECORD an article from the Catholic Free Press, the official paper of the diocese of Worcester, Mass., from which I am going to read a short excerpt. This article expresses the reason why we should bring a resolution to the floor and why we should adopt such an amendment.

This article reads in part:

We hope, therefore, that the sponsors of "prayer amendment" resolutions in the House will give serious consideration to the proposal of Representative FRANK J. BECKER, Republican, of New York, that they meet and agree on the language of one resolution and then support a discharge petition to bring it to the floor of the House for debate.

That is all I am attempting to do, bring this to the floor of the House. I am sure it would be adopted so that it would be submitted to the people of this country to help preserve our spiritual heritage that we so badly need at this time.

The article follows:

TWENTY-FOURTH AMENDMENT

It would seem that the only way to stem the tide which threatens to banish any reference to God from American public life is the passage of an amendment to the Constitution clarifying the first amendment. It would also seem, however, that any amendment designed to state in unequivocal terms our belief in man's reliance upon God, while at the same time safeguarding the individual's right to his own religious belief—or disbelief—must be precisely worded lest the cure be more disastrous than the disease. Similarly, it would seem that any campaign designed to secure passage of such an amendment must be well coordinated, lest its failure be decisive.

We are not anxious to see the Constitution become a patchwork, amended each time a grievance cannot be resolved to everyone's satisfaction by the Supreme Court of the land in this instance, however, the implications of the high court's recent pronouncements on the relationship between church and State are so patently contrary to the intent of the Founding Fathers that a clarification by the people seems in order. For that reason we applaud the activity of the newly formed Citizens for Public Prayer in Rutland and other similar groups across the country whose aim it is to assure that America continues to hold a revered place for God in public life.

We applaud also the gesture of the several Senators and Congressmen who have filed resolutions in the Congress requesting that a "prayer amendment" be made to the Constitution. Past experience should have revealed, however, that some of those resolutions may have been filed simply as a gesture to placate indignant constituents back home, with the congressional sponsors caring little or not at all whether their proposals ever are acted upon. It should also be obvious that the congressional committee charged with the responsibility of clearing one of the more than two score resolutions for general debate, could decide as has happened before—that it would be politically more prudent to sidetrack them all.

We hope, therefore, that the sponsors of "prayer amendment" resolutions in the House will give serious consideration to the proposal of Representative FRANK J. BECKER, Republican of New York, that they meet and agree on the language of one resolution and then support a discharge petition to bring it to the floor of the House for debate. Proponents of a "prayer amendment" are all agreed on one basic principle—that the Founding Fathers never intended to identify the separation of church and state with the separation of God from the state. Fragmentation among these proponents however, could result in inaction on the floor of Congress and frustration among members of groups like the Citizens for Public Prayer who are ready to work for the protection of our religious heritage "back home."

SOUTH AFRICA'S STATUS IN THE UNITED NATIONS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I wish to speak for a moment on the subject of South Africa's status in the United Nations. Of late the climate of opinion on this subject has become hot and with justice. There has been no indication

that South Africa intends even in the distant future to alter her policy of apartheid even when the attention of the whole world is focused on this matter of equality and discrimination.

At the ILO Conference from which I have recently returned, at which no less than 102 nations were represented, a resolution was passed on June 21 which invalidated the credentials of the South African workers' delegates. It was also decided that the Secretary General of the International Labor Organization, Mr. David A. Morse, should go to New York to consult with the Secretary General of the United Nations on the grave concern expressed by the ILO and its governing body on the subject of apartheid and the problems posed by South Africa's continued membership in the United Nations.

Proposals that were earlier brought before the governing body of the International Labor Conference for consideration were that all diplomatic relations with South Africa be broken off, that all ports be closed to South African ships and all airports closed to South African planes, and that South African goods be completely boycotted. And may I add that these proposals were embodied in a resolution passed in the United Nations last year, though the implementation of these measures was left up to the discretion of the member states. Some of these measures I am sure sound extreme to you. I have called them to your attention to emphasize the proportions and urgency which this matter of apartheid has assumed in the minds of other nations and to emphasize the need for a firm position on the part of the United States.

The Communists have played up their support of African freedom, and there are many stronger non-Communist organizations who now eagerly look to the West for encouragement in their struggle against oppression. Up until this point, and to the advantage of the Communists, these non-Communist groups have not had the encouragement they desire and deserve. In Angola, for instance, Holden Roberto, who is anti-Communist, has recently come to power, and the Pan-Africanist Congress, also anti-Communist, and other anti-Communist groups seek the reassurance which only a strong position on the part of the United States can give them.

I wish to make it clear that I understand and appreciate Governor Stevenson's reluctance to use the extreme measure of expulsion against the South Africans. But I believe there is an important alternative to expulsion, that is, the suspension of South Africa from the United Nations and the expression of strong sanctions. I do not believe that suspension would have the disruptive effects of expulsion, and at the same time, this measure would demonstrate to the Africans who seek freedom that we are sincere in our concern—that we consider the South African policy of apartheid to be dangerous, intolerable, and deserving of our immediate action. Delay or weakness in this matter will cost us much in the way of international prestige, and discredit the steps we ourselves are taking to remove the stain of discrimination

from our society. The Africans who have lived for too long already under the injustices of colonialism must have a way to distinguish us from those who are tolerant of the evil in their land, and must be able to look to friends other than the Communists, who, of course, exploit every such situation.

REVISION AND MODERNIZATION OF OUR IMMIGRATION LAWS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. FARBERSTEIN] is recognized for 10 minutes.

Mr. FARBERSTEIN. Mr. Speaker, I am pleased to join with others of my colleagues who have indicated their support of the President's program to revise and modernize our immigration laws.

The President's proposals are a much-needed substitute for the discriminatory statute now in force. The enactment of this legislation, will effectively eliminate one of the most abusive laws now resting heavily on the conscience of this country.

The key to these proposals is the elimination of immigration quotas based on national origins. Not only are these quotas discriminatory; they are also arbitrary and obsolete. The 1920 census figures on which they are predicated no longer reflect a valid image of the ethnic composition of this country's population.

Since 1957 I have been presenting legislation that would eliminate these national quotas by replacing them with a system that would discriminate against no individual because of his country of birth. This system would provide, without respect to nationality, for the immigration of people possessing skills needed by this country, of individuals whose close relatives are U.S. citizens, and of refugees who have been suddenly uprooted from their native lands. The enactment of this legislation will undoubtedly have a salutary effect on this country, for, by facilitating the entry of highly skilled individuals, by reuniting families, and by assisting refugees, we can only strengthen the fabric of our already diverse and talented population.

The President's proposals embody, to a large degree, those ideas which I have advocated since I first entered the Congress. Consequently, I am delighted at the prospect that these proposals now carry the influence of the President behind them. I am certain the country is prepared to accept them and I sincerely hope that our citizens will make known their wishes to their Representatives in Congress in order that the President's legislation may meet with early favor.

Because of my belief in the overwhelming necessity and desirability of this legislation, I am proud to count myself as one of the numerous Members who have introduced the President's bill.

SALE OF WARPLANES TO REPUBLIC OF SOUTH AFRICA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 5 minutes.

Mr. RYAN of New York. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN of New York. Mr. Speaker, the Department of State is considering approving the sale of warplanes manufactured in the United States to the Republic of South Africa. On June 14, 1963, the story was reported by Laurence Barrett in the New York Herald Tribune.

Mr. Speaker, I have protested this proposed sale to the Secretary of State. The Department of State has acknowledged that the matter is under active consideration at this time.

I believe that the sale of these planes to the Republic of South Africa would be unconscionable. Approval of an export license by the Department of State would mean in effect that the United States is supporting the racist government of Verwoerd. Documentary proof is not required to show that the South African Government is dedicated to the policy of apartheid—strict segregation of the races. In implementing its apartheid policy, the Government has engaged in some of the most repressive measures ever undertaken by any government against its own population. To the other countries of Africa the Republic of South Africa is synonymous with colonialism. To all the world this Government is synonymous with racial fascism.

It is inconceivable to me that there can be any question concerning this sale. However, it is suggested that these planes might be designed for purposes of defense against external attack and possible aggression by the Sino-Soviet bloc. I suppose that it is possible that the Sino-Soviet bloc someday may attack South Africa. But the greater possibility is that the human beings who are so ruthlessly repressed by their government will revolt. If this happens, and the proposed sale is approved, military aircraft manufactured in the United States will be used to suppress the revolution for freedom in South Africa.

At a time when we are struggling to protect and advance freedom at home and abroad, it would be ironical to approve the sale of warplanes to the dictatorial government of South Africa. I urge the Department of State to deny an export license for these planes.

Mr. Speaker, I include at this point in the RECORD the article from the New York Herald-Tribune and an exchange of correspondence between my office and the Department of State:

SOUTH AFRICA WANTS TO BUY OUR JETS—BUT
(By Laurence Barrett)

WASHINGTON.—South Africa is shopping for warplanes in the United States and for 3 months the State Department has been trying to decide whether to say yes or no.

In view of South Africa's policy of rigid racial segregation and white supremacy, the indications are that the answer will be no. The State Department insists that no final decision has been made. However, reports reaching here from South Africa indicate that the government there believes the deal is dead.

The State Department fears that the planes might be used someday to intimidate or actually combat South African Negroes. Aside from the moral question involved, employment of made-in-U.S.A. planes used for this purpose would be a heavy blow to U.S. relations with the nonwhite nations of the world. It would also add to the administration's already great racial problems at home.

Three different planes are on the South Africans' shopping list. Each could be used for antiguerrilla operations.

Naturally, the State Department does not wish to reject perhaps tens of millions of dollars of sales. With the country spending more abroad for all purposes than it takes in from foreign countries, Federal agencies have a firm policy to encourage sales of American goods.

The sales of most kinds of armaments by private interests here to foreign countries requires the approval of the State Department. This takes the form of an export license that is issued when a transaction is about to be consummated.

In practice, a company that has an arms sale in prospect asks the State Department's munitions control division at an early stage for an informal go-ahead.

This the Grumman Co., of Bethpage, Long Island, did in March. The plane involved is the A-6A Intruder, a new craft that will soon be deployed on American aircraft carriers. The plane can be used on land. It is a subsonic, low-level, all-weather fighter-bomber that can handle both conventional and nuclear weapons.

More recently, Douglas Aircraft was approached for A-4D Skyhawks, a present mainstay of the attack carrier force. Also, North America has asked the State Department what it thinks about selling T-28 Trojans to South Africa.

In all three cases, it is understood, it was the South African Government that initiated the discussions with the American companies.

The Skyhawk is similar in some respects to the A-6A except that it is not an all-weather craft. Although both are jet powered, they are able to perform low-level maneuvers at relatively slow speeds.

The T-28 is a World War II type plane that has been used for training purposes here. However, it can be rigged for combat. Today it is being used to bomb and strafe Communist guerrillas in South Vietnam.

Last year the State Department approved the sale of seven C-130 noncombat transport planes to South Africa. It could not be ascertained whether earlier requests for combat planes were rejected.

Relations between the two countries have been strained. The United States has joined other countries in condemning apartheid—the South African euphemism for white supremacy—and South Africa has rejected such statements as improper interference with its domestic affairs.

Just yesterday the State Department ordered its Embassy in South Africa to hold its July 4 reception on an integrated basis. In Pretoria, the U.S. Embassy announced it would hold two Independence Day receptions. One in the morning for leaders of the South African Government and the diplomatic corps will be for whites only, while a reception later in the day for Americans in Pretoria and for other guests will be on an integrated basis. The State Department order obviously was dictated by the administration's concern for racial equality rather than by normal diplomatic practice. Normally, embassies observe the host country's rules, at least in public.

Despite the friction, South Africa is an anti-Communist nation which, in cold war terms, is considered part of the Western bloc. But there are no specific military agreements

between the two countries and there does not appear to be any external threat to South African security.

JULY 10, 1963.

HON. DEAN RUSK,
Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: I have recently read newspaper reports concerning South Africa's desire to purchase warplanes in the United States. I understand that the Department of State is considering whether to permit such purchases. In light of South Africa's deplorable apartheid policy, I believe it would be highly inadvisable for the United States to sanction the sales of warplanes to South Africa.

I would appreciate it if a report on this matter were sent to me.

With kindest regards,

Sincerely,

WILLIAM F. RYAN,
Member of Congress.

DEPARTMENT OF STATE,
Washington, D.C., July 17, 1963.

HON. WILLIAM F. RYAN,
House of Representatives.

DEAR CONGRESSMAN RYAN: Thank you for your letter of July 10 regarding the purchase of military aircraft by the Republic of South Africa.

The Department of State has had inquiries from various U.S. aircraft manufacturers asking for permission to discuss the possible sale of their products with representatives of the South African Government. These requests are under review and no final decision has been made. You may be assured that your views and those of others who have written to the Department on this subject will be given full consideration.

The policy of the U.S. Government toward South Africa has been to consider, and not to refuse outright, proposed exports of types of equipment designed essentially for purposes of defense against external attack and, particularly, those items which could strengthen defenses against possible aggression by the Sino-Soviet bloc. Applications for the export of weapons or equipment for use by the police or other security units for the enforcement of apartheid are denied.

If I can be of further assistance to you in this matter, please do not hesitate to let me know.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary.

WHO'S ANTIBUSINESS

Mr. MONAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MONAGAN. Mr. Speaker, more than once the suggestion has been made that the Kennedy administration is not sensitive to the needs of American business enterprise and is not responsive to the advice of the executives who manage this segment of the U.S. economy.

This opinion, in my view, is completely without foundation. Regardless, however, of the soundness of this judgment generally, there is one specific example where the contrary has been true. In the field of taxation, the administration has sponsored successfully two measures

which have proved beneficial to U.S. business and which have provided increased funds for investment.

The first was the accelerated schedule of depreciation allowances which was prepared and put into effect by the Treasury Department, itself. These provided faster writeoffs of capital investment and therefore required less taxes and freed more corporate funds for other purposes.

The other measure was a legislative one. It was the investment tax credit which was passed into law in the 87th Congress. This provision permits a subtraction of up to 7 percent of the cost of new equipment from the company income tax bill.

We have not heard very much of the benefits of this provision. The companies have not trumpeted the news from the housetops by any means, yet a perusal of the annual reports of companies which pass across the desk of every Congressman shows that the benefits of this provision have been widespread and substantial.

Several companies in my district have recorded the beneficial effects of this governmental policy in their annual statements. One of these is a long established manufacturer of machinery in Ansonia, Conn. Under the tax revision, this company was able to save \$300,000 in taxes, a figure that represents nearly 25 percent of the net income of the company. It chose to treat these reductions as deferred tax liabilities to be spread out over the estimated life of the assets.

A brass manufacturing concern in my home town benefited measurably from the new tax laws. In 1962, its 160th year of operation, it showed net earnings of \$3.1 million. This amount excludes \$616,375 that were saved due to the new tax adjustments and will appear on the balance sheet as net income in future years.

Elsewhere in Connecticut, a prominent hardware factory noted in its 1962 annual report that income tax benefits under the new 1962 guidelines amounted to \$389,000, while under provisions of the Revenue Act of 1962, the company and its domestic subsidiaries obtained an investment credit of \$94,000 against income taxes payable for the year 1962.

These savings have been realized in corporations all over the country. The annual report of the United States Steel Corp. shows that \$44 million was added to the wear and exhaustion account in the year 1962, while the investment credit resulted in a reduction in Federal income tax of \$8.2 million.

Sylvia Porter, the well-known economist and columnist, described the results of these investment incentives in a recent newspaper column as follows:

The fact is that the investment incentives given by Congress and the Treasury in 1962 to spur business spending on plants and equipment have substantially boosted this vital type of spending. Businessmen report a full \$1 billion of the increase in their spending scheduled for 1963 and 1964 is a direct result of the new tax credit and liberalized depreciation rules, and plant-equipment spending in the final quarter of 1963 is slated to run 8½ percent ahead of this spending in the same months of uncertainty about its direction.

The New York Times on July 10, 1963, carried an article which indicated that corporations during 1962 reaped a cash benefit of \$2.3 billion from the investment tax credit and revision of depreciation rules:

TAX WRITEOFFS MATCH FORECAST—CORPORATIONS IN 1962 GAINED \$2.3 BILLION ON INVESTMENT CREDIT AND DEPRECIATION—U.S. ESTIMATE ACCURATE—SAVINGS ALMOST EXACTLY WHAT TREASURY PREDICTED A YEAR AGO, STUDY INDICATES

WASHINGTON, July 9.—Corporations reaped a cash benefit totaling \$2,300 million last year from the investment tax credit and revision of depreciation rules.

The tax saving was almost exactly what the Treasury predicted a year ago, when the investment credit was still pending in Congress and the revision of depreciation rules was first announced. For the investment credit, the tax saving was slightly larger than the Treasury's forecast.

Figures on the benefits to corporations from the two tax changes were made public today by Secretary of Commerce Luther H. Hodges. They are based on a Commerce Department study of corporate tax returns.

ALLOWANCES UP A BILLION

The study showed that total corporate depreciation allowances increased by \$4,100 million in 1962, compared with those taken in the preceding year. Of this amount, the Department said, \$2,400 million was attributable directly to the use of the new and shorter depreciable lives permitted under the revised rules.

The tax saving resulting from the extra depreciation charges was \$1,250 million.

Use of the 7-percent tax credit by corporations in 1962 resulted in tax savings of a little more than \$1 billion.

The new depreciation guidelines were used the most by large corporations, the study found. For manufacturing companies with assets of \$100 million or more, the increase in depreciation writeoffs amounted to 18 percent. For medium-sized companies, the increase was 15 percent, and for corporations with assets of less than \$10 million, only 7 percent.

HOW IT WORKS

More rapid depreciation of equipment brings tax savings to business because depreciation allowances are deducted from taxable income. Faster depreciation means larger deductions in any given year.

Transportation, manufacturing, and mining industries showed the greatest increases in their depreciation allowances, compared with 1916—17 percent for transportation and 14 percent for the other two.

Among manufacturing industries, only aircraft companies showed no appreciable increase in depreciation deductions as a result of the new depreciation guidelines. The primary metals, paper, chemicals and stone, clay, and glass products industries were heavy users of the new shorter depreciable lives.

The new depreciation rules affected least the public utility and commercial group of industries, the bulk of whose capital investment is in buildings. The liberalized depreciation standards applied only to machinery and equipment, and not to buildings.

FIFTY-FIVE PERCENT SWITCHED

Overall, companies accounting for 55 percent of total depreciation charges switched to use of the new depreciation guidelines.

Industries that made the least use of the new guidelines made the most use of the investment credit.

Companies in the communications, public utility, trade, and service industries each reaped tax savings of more than \$150 million from the investment credit. The taxes

of transportation firms were reduced by \$100 million as a result of the credit.

For all manufacturing and mining companies, the tax benefits realized from the credit totaled \$500 million.

The Commerce Department study covered only corporate businesses. Earlier Treasury estimates indicated that savings to unincorporated business would amount to \$200 million from the credit and \$250 million from the depreciation revision.

It should be noted that the amount that the corporations saved because of the newly introduced investment credit was larger than the Treasury Department's prediction of a year ago, while the overall tax saving was exactly what the Treasury had predicted when the investment credit legislation was still pending before this body.

I am very happy about these developments and I am pleased that the legislative and executive branches of our Government have cooperated so successfully to provide a stimulus to business investment which will produce more jobs and benefit our economy generally.

HOUR OF MEETING ON TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER pro tempore (Mr. BOLLING). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

THE NATIONAL INSTITUTE OF DENTAL RESEARCH

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. FOGARTY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I would like to call to the attention of this body the remarkable work and achievements of the National Institute of Dental Research, which recently observed the 15th anniversary of its establishment. Since its creation by the U.S. Congress in 1948, the Institute has assumed leadership for dental research that has widely influenced the great contribution of dental science to the conquest of disease. This favorable trend has brought not only important advances in clinical dentistry but has added significantly to our basic biological knowledge. The traditional separation of dental research from the total body of the biological sciences is changing and the Institute today is not only carrying on research in disease-oriented programs but has expanded its interest into fundamental areas of knowledge which have applicability to all disease problems.

Refinement of research techniques, particularly in connection with the Institute's large colony of germ-free animals and in such fields as biochemistry, genetics, and crystallography have had broad effectiveness in the basic sciences. Important work in enzyme chemistry, X-ray diffraction, and the crystal struc-

ture of mineralized tissues have provided to scientists throughout the world fundamental data and advanced concepts underlying many kinds of pathologic situations.

At the same time, the Dental Institute, in pursuing its mission to study the origins, prevention, and treatment of oral diseases, has given us new knowledge of the mechanisms of tooth decay, periodontal disease, malocclusion, cleft palate, and reconstructive techniques.

It is less than 100 years since the first American dental school was admitted to membership in the university family. For almost all that century the dental schools discharged their teaching and service obligations most creditably, but their research activities were limited and relatively ineffective. It was not until the Dental Institute's grants programs provided the dental schools with resources and impetus that the American dental schools began to fulfill their long-neglected research objectives.

The critical manpower situation in the dental profession has been highlighted in many reports. It is to the credit of the Dental Institute that this acute problem—the necessity of increasing the number of dental teachers and researchers—has been more widely understood and that steps have been taken to cope with it.

Prior to 1940, there were only 20 persons in all the history of the United States who held both the D.D.S. and Ph. D. degrees. In the decade from 1940 to 1950, 27 more such persons were added.

In contrast, at the present time, the National Institute of Dental Research is today providing training opportunities for 177 persons, 67 of them seeking the Ph. D. in addition to the D.D.S.

There has now evolved what is essentially a partnership between Government and the university, between the Dental Institute and the dental schools, and this relationship has become one of mutual interdependence and mutual productivity.

This partnership has produced a revolution in dental practice and a vastly improved level of dental health in our population. The development of fluoridation of community water supplies has reduced tooth decay in children by two-thirds in those communities where it has been put into effect. Dental Institute scientists have shown that this protection by fluoride lasts into adult life.

Other research with germ-free animals has proved that tooth decay is in animals a transmissible and infectious disease, caused by a strain of streptococcus. This discovery has tremendous implications for future treatment, since knowledge about bacterial disease and its control is well advanced. The same kind of research is being carried on now in the causes of periodontal disease, major cause of loss of teeth in adult life.

These are just a few examples of the outstanding work being done by the National Institute of Dental Research and by the non-Federal research institutions taking part in its programs. I am confident that the National Institute of Dental Research will achieve even greater success in the years ahead.

THE FOREIGN AID PROGRAM FOR THE COMING FISCAL YEAR

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, we will soon be considering the foreign aid program for the coming fiscal year.

The Alliance for Progress is of great interest and significance to us all, for it holds great promise. I think it would be good for us to know what some of the beneficiaries of the Alliance think of the program. For example, one of the outstanding newspapers of Latin America, *La Prensa* of Lima, Peru, had this to say:

[From the *La Prensa*, Lima, Peru, July 4, 1963]

ALLIANCE FOR PROGRESS

(By Manuel Aguirre Roca)

The misunderstandings about the Alliance for Progress are, in good part due to prejudice. Since the development of Latin American countries depends in great part upon the United States, and as the Alliance for Progress project was announced by President Kennedy himself, a conclusion was unduly reached that the Alliance for Progress was a massive aid program, offering money and equipment from the United States to the underdeveloped countries of that part of the globe.

There have been previous U.S. programs of bilateral aid, such as point IV, and, in a less strict economic sense, the good neighbor policy, through which Latin American countries received assistance from Uncle Sam for their progress.

All this contributes to confuse the new and unique aspect of the Alliance for Progress, making it difficult to comprehend.

The first thing that must be done, I believe, to understand the meaning of the Alliance is to throw overboard all prefabricated ideas. Let us therefore discard them and understand that the Alliance for Progress is not a program of assistance offered by the United States to the Latin American countries. It is not a flow of dollars in a unilateral sense, or in any other sense.

For this reason the repeated criticism "the gringos are fooling us with the Alliance, because in reality they give us very little" lacks truth. They have not offered us a deluge of dollars or equipment, so we cannot accuse them of idle boasting.

What is, then, the Alliance?

It is a commitment contracted by all countries of the hemisphere, through which each country offers to undertake development efforts, according to political and economic criteria and following a minimum pace.

Let us imagine a family going through a bad economic period. Let us imagine that one day the members of the family get together and agree to solve their grave problems through the persistent and rational effort of each. This is the Alliance. We see therefore that it is a promise between all the members of the Latin American family, or, as said very wisely by Manuel Seoane Corrales in a TV interview, an authentic honor pact between the countries, and not a program of foreign aid.

There then would be two principal ideas in the Alliance: (a) a development commitment entered upon by each of the member countries, and (b) the acceptance of uniform

and well-defined political and economic rules to which the method or modus operandi of development should be subjected.

Which are these rules? This is a most interesting point, since its study will allow us to X-ray the prevailing political and economic thinking of the continent and, at the same time find out which members of the Alliance comply or not with the solemn promise of Punta del Este.

The fundamental economic rule, as seen in the Charter of Punta del Este consists in "maintaining price stability, avoiding inflation and deflation with its consequences of social losses and bad distribution of resources." This rule is complemented by the development plans which each country must submit, in order to achieve the concrete objectives chronologically programmed by the Alliance.

The Alliance stipulates that its members shall formulate development plans in which will be observed "the basic orientation of a fiscal and monetary policy to achieve the program with price stability."

In conclusion, the Alliance for Progress is a development commitment entered into by the countries of the continent, who promise to promote price stability and anti-inflationary techniques through the elaboration of plans which would be based on these same principles of stability. This means that the Alliance condemns subsidy methods, exchange controls, inflation, and, finally, state domination of private enterprise (estatismo) and points out the importance of private enterprise.

TESTIMONY OF UNDER SECRETARY OF LABOR JOHN F. HENNING ON THE DESIRABILITY OF EXTENDING PUBLIC LAW 78 IN ITS PRESENT FORM

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, yesterday, the Senate Subcommittee on Migratory Labor heard testimony from Under Secretary of Labor, John F. Henning, on the desirability of extending Public Law 78 in its present form. Secretary Henning said that an extension of Public Law 78 without amendments to protect our own workers would be "unthinkable."

Secretary Henning testified that the bracero program most certainly has an adverse effect on the domestic labor market. I quote:

The availability of a large supply of alien workers has created an anomalous situation in our agricultural labor market seriously interfering with the free interplay of supply and demand. The certification which permits the admission of any alien workers into the United States for temporary employment must essentially be conditioned upon a shortage of available domestic labor. It is axiomatic that in such a normal labor shortage situation the bidding for available domestic labor would produce more competitive job offers. In these circumstances we could generally expect better terms and conditions of employment than would prevail in labor surplus areas.

With an inexhaustible supply of alien workers at our very borders we find, conversely, that the terms and conditions of em-

ployment offered domestic workers not only remain static but in many cases are less favorable than those offered domestic workers in areas where no alien workers are employed. We find, further, the incredible situation where alien workers are offered better terms and conditions of employment than are afforded our own agricultural workers competing for the same jobs. The simple fact is that under the present system an employer can refuse to offer to domestic workers the same terms and conditions that he is required to offer alien workers. If the domestic worker refuses to accept the job at less favorable terms, the employer is permitted to bring in Mexican workers who are then afforded the very terms and conditions which were denied to our own workers.

We realize all the unemployed cannot be used in agricultural activities. At the same time, we must exercise every caution to assure that qualified domestic workers are given preference for all available job opportunities. That this has not been the case is highlighted by the fact that in the State of California in 1962, 127,000 Mexican workers were contracted and recontracted. During this same period there were an estimated annual average of 395,000 domestic workers unemployed in that State. In Arizona, 16,906 Mexicans were contracted while 23,900 domestic workers were unemployed. In the State of Arkansas, 12,410 Mexicans were contracted; 42,400 domestic workers were unemployed. Texas used 36,289 Mexican workers while 174,600 domestic workers were unemployed.

NORTHEAST AIRLINES

Mr. COLLIER. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, amid the flurry of concern and indignation generated by the Civil Aeronautics Board's decision to remove Northeast Airlines from their most profitable New York-Miami run, there appear to be only two parties expressing jubilation. These are the two competitors in that run, Eastern and National Airlines who can expect millions in additional revenue if the Northeast service is discontinued.

The fact, as pointed out by the two dissenters on the CAB, that Northeast has worked hard for the past 7 years to develop good service on the Florida route seems to have been forgotten by the three members who voted to decapitate the airline. Northeast's entry into the market has caused noticeable improvements in the service of all three—proving one of the greatest advantages of healthy competition. Now, these improvements may well be lost, stated the dissenters.

Because of its profits from the New York to Florida run, Northeast has borne the burden of unsubsidized service to many New England communities, saving the Federal Treasury \$15 million, while similar services have been subsidized in many areas of the country. The Board will now give subsidies to support the New England routes and take away their only profitable long-haul run.

Mr. Speaker, I fail to see how this best serves the public interest. To remove a company from a competitive market where its very presence has improved the services offered the public, thus obliging it to operate its other essential runs at a loss, is no public service. But to expect the same taxpaying public which suffers from that curtailment of service to pick up the tab for the losses is actually a public disservice to everyone except the jubilant rivals, Eastern and National Airlines.

Two additional facts make the CAB's decision even less understandable. Their recent policy has been to get the smaller, regional airlines off subsidies. That was its major reason for giving Northeast the New York-Miami run in the first place. Second, their decision came after the Hughes Tool Co. assumed airlines debts amounting to \$23 million, thus giving Northeast hopes of operating once again on a solvent basis.

Mr. Speaker, it is significant that the major and most vigorous arguments for the removal of Northeast Airlines from the Florida run came from National and Eastern Airlines. They claim that the route cannot support 3 airlines—yet 2 other comparable routes each support 4 carriers and 12 others are serviced by 3 carriers each.

Eastern Airlines has attributed much of its financial distress to Northeast's competition. Yet Northeast, despite its troubles with the New England routes has managed to make the Florida route a profitable one and has increased its services, compelling the others to do likewise. This, Mr. Speaker, is the heart and soul of our system of free enterprise and competition—that rivals for the same market will strive to improve services and costs to the benefit of the public. If Eastern cannot stand up to the competition provided by Northeast and operate at a profit, why should the more successful Northeast be the one to lose the franchise? Can it be that the CAB is trying to salve its conscience for turning down Eastern's application to merge with American several weeks ago?

Mr. Speaker, the decision of the CAB should be scrutinized more carefully to determine why the arguments of two competitors should persuade the board to act in such direct opposition to the public interest.

MIGRANT LABOR PROGRAMS ARE EXPENSIVE AND WASTEFUL

Mr. COLLIER. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. TALCOTT] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. TALCOTT. Mr. Speaker, some Members of Congress have dismissed the tragic crisis to small agricultural towns caused by the discontinuance of the bracero program by saying in effect "we hope to get Federal aid to promote a migrant system for furnishing the necessary supplemental farm labor."

Before such a plan is promulgated, the cruel sociological and emotional consequences should be understood.

The cost of any such program would be enormous and wasteful. But even if every agricultural area were provided with free public family housing and if equipped with community theaters, parks, libraries, swimming pools, and so forth—and even if the Federal Government generously built, supplied and staffed the necessary schools, jails, hospitals and public service facilities, the nomadic life of following the crops—living 2 months here, 3 months there and then migrating to some other place—would be unimaginably unhealthful and disruptive. The movement of the migrant families, no matter how handsomely housed and provisioned, will be detrimental to the educational, social and economic welfare of each community through which they pass as well as to the migrant family.

It is highly doubtful that teachers, doctors, welfare technicians, or governmental officials could be induced to follow the migrant family from harvest to harvest. Logically these technicians—and their families—should not be exempt from the nomadic life, if the poor farm laborer—and his family—is required to migrate with the crops.

Another suggestion that the farm laborer family should stay in some rural community all year, even though only 1 to 5 months farm employment is available nearby, is irrational and not practicable. Farm labor skills are the least interchangeable with skills required in other industries. The skills are among the lowest of any industry.

No one with a higher skill will work on a row crop—primarily because an unemployed skilled worker need not accept farm work, at any wage, to claim generous unemployment compensation. Row crop work is onerous and available only when work in other industries is also at or near annual peaks.

Few communities can support an unemployed family for the 6 to 11 months' period during which crops do not grow and there is no farm work.

Is there a community, town, city, or county in America which could provide facilities to support, house, feed, and care for an influx of 20 to 200 percent more unemployed than its normal population for 3 to 9 months of the year? I trust no Member of Congress desires to force this predicament and this imposition on any other community.

I trust that each Member of Congress will consider thoroughly the chaotic consequences such a program would create in his own district before he votes to impose it upon another district.

We need solutions for our problems—not just more problems. The bracero program was an effective, humanitarian, moral, economical solution.

THE TERRIBLE TRUTH

Mr. COLLIER. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. ALGER] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALGER. Mr. Speaker, the fast moving events of the past several weeks are full of fearful foreboding for the American people and the free world. There is more convincing evidence daily that President Kennedy, in his dangerous flirtation with Khrushchev, for whatever reason, is failing to protect the security of the United States.

His proposed test ban treaty, the weakening of our defense potential, the cowering before Communist aggression, and the constant appeals for peace, peace at any price, are putting this Nation in grave peril and strengthening the world position of Soviet Russia and international communism.

America must be awakened to the danger which the President is creating through lack of leadership, lack of courage to face the problems of this day. If we cannot save the United States from the follies of the Kennedy administration until the people have had an opportunity to express themselves, we may find it necessary to take other measures to prevent an incompetent administration from destroying us before the next election.

This morning I attended a briefing on the test ban treaty, given by Averell Harriman for Members of the House. Whatever fears I had were strengthened by the thoroughly innocuous statements of the Assistant Secretary of State who admitted that all scientific facts are ignored as relatively unimportant in the anxiety of the administration to reach a political agreement with the Soviet Union on a test ban.

What will the test ban mean to the United States? At this point I would like to include an excerpt from the Newsgram page of the August 5 issue of U.S. News & World Report:

Nuclear test ban does not mean disarmament. Nuclear weapons still will be the weapons of future war. Weapon testing will not come to a full stop.

Tests will continue underground. France will go on testing in the air. Red China will test in the air, too, if and when she gets the bomb.

Test ban of 1958, not in treaty form, was broken by Russia in 1960. Test ban at that time was used by Reds to prepare for 1960 tests. New agreement, once approved, can be ended on 3 months' notice—a loophole for cheating.

Test agreement, now being entered into, favors Russia. Russia, behind in smaller nuclear weapons, can catch up by testing underground. United States behind in bigger weapons and in an antimissile missile, will be hindered in her effort to catch up by the bar against testing in the atmosphere.

United States, even before the new agreement, was slowing her pace in the arms race, hoping that Soviet Russia would follow the U.S. example.

Just bear this in mind: As long as Russia is a closed country, ruled by a dictatorship, possessed of weapons capable of destroying United States, there can be no real disarmament, no real end to the arms race without great danger.

Test agreement, actually can serve a political purpose. In United States it can help in a 1964 campaign based on theme of "peace and prosperity." In Russia it can calm war

fears and help keep the people quiet and contented.

Mr. Speaker, in view of that indictment of the treaty, and remembering the dire warnings of Dr. Teller that there is every evidence the Russians are ahead of us in the development of nuclear weapons, and that we cannot develop an anti-missile missile without testing in the atmosphere, should we not demand of the President to answer the question, What earthly good can be accomplished by this treaty?

Coupled with the dangers to U.S. security involved in the test ban treaty, I would like to point to two articles in the same issue of U.S. News & World Report which indicate how far we have already gone and how much further we are planning to go in abandoning our military strength and in unilaterally disarming. Incidentally, the statements made in these articles can be backed up by the testimony of Secretary of Defense McNamara and other spokesmen from the Pentagon in hearings before the subcommittee of the Committee on Appropriations on Department of Defense Appropriations for fiscal year 1964. Apparently we are abandoning many of our present weapons systems, if they are provocative. We are abandoning our military superiority, reducing the United States to a position of assured equality. This compounds the existing danger of no new weapons systems. In the area of military strength, standing still is going backward as the enemy updates his equipment.

These articles, which I include at this point as a part of these remarks, show that the United States under President Kennedy's leadership, may be giving up in the arms race, and that we are courting disaster in pursuing present Pentagon policies.

IS UNITED STATES GIVING UP IN THE ARMS RACE?

(United States has already started disarming, on its own, and at a fast clip. Bases are being dismantled, bombers scrapped, new weapons cut back or shelved. Project to build a U.S. arsenal of overwhelming superiority has been abandoned. It's official policy—based on this theory: "The more we arm the less secure we get.")

A major upheaval in U.S. defenses is now taking place.

A vast and varied arsenal of strategic weapons, planned by the Eisenhower administration, is being in large part canceled out or dismantled. A new and nonprovocative kind of arsenal is being emphasized in its place.

The official record shows the following: Bombers are being sent to the scrap heap. Thor and Jupiter missiles are being removed from bases in Europe. Navy carriers are headed for a cutback. Some big bases overseas are being closed.

Funds for future weapons, moreover, have been reduced or eliminated—as in the cases of the RS-70 bomber and the Skybolt missile. Future production of nuclear materials is to be slowed. Nuclear arms are being frozen at their present stage of development through a partial test ban just worked out with Russia.

The Kennedy administration, responsible for the drastic change, sees this change as vital and necessary, and is convinced it will not endanger security. The United States, it is claimed, is entering a period of unavoidable nuclear stalemate requiring new strategy. As described by some administration

officials, the strategy has a theme: "The more we arm the less secure we get."

QUALMS FROM HISTORY

Many authorities in the Military Establishment, who now are silenced, think the new strategy adds up to a type of intentional and one-sided disarmament.

They point back to the 1920's, following World War I, and to the late 1940's, following World War II. In 1922 the United States entered into an agreement to limit navies, only to have Japan violate that agreement. United States decided, even so, that "disarmament by example" on its part would lead others to disarm.

Events then led toward World War II. After World War II, the United States again disarmed—this time without any agreement.

The Korean war followed when Communists decided the United States was too weak to resist aggression.

Military authorities now express concern that the United States may be repeating the mistakes of the past—endangering its own security in pursuit of a fancy slogan. Heads of U.S. armed services simply do not buy the slogan, "The more we arm the less secure we get."

Instead, the Joint Chiefs of Staff, often with unanimity, have opposed almost all of the arms cutbacks now being put into effect. Opposition is beginning to build in Congress as well.

CRITICS' POINT: WHY SWITCH TO A NUCLEAR STALEMATE?

Concern, in large measure, comes down to this:

Why abandon known superiority over Russia to settle for a nuclear stalemate—or less? Is it safe to rely only on missiles for long-term defense? Is enough stress being placed on future weapons to prevent a technological Pearl Harbor? In short, is the Nation being imperiled by quick-look decisions?

Behind the concern is a set of facts, now fully emerging, of the changes being made in the Eisenhower strategy that was designed to carry this country through the decade of the 1960's.

General Eisenhower, in a succession of eight defense budgets totaling \$315 billion, started building a shield of overwhelming strategic power. Bombers were produced by the many hundreds, and others were rushed to the drawing boards. More than 1,300 long-range missiles were provided for to complement the bomber force.

Money was provided for work on missile-firing submarines and bomber-launched missiles. Funds were invested in research on nuclear planes, antimissile missiles and neutron bombs.

Many avenues of research were opened. Money was placed where experts thought it would do most good. Some of this money was shown to be wasted. Other investments returned immense dividends.

The result, overall, was to be an unrivaled array of U.S. strategic power, assuring nuclear superiority at all costs. A full look at the arsenal planned during the Eisenhower years is shown in the table following this article.

Mr. Kennedy's view of strategy differs sharply from that of his predecessor. General Eisenhower, it is charged by present officials, overemphasized nuclear warfare and badly neglected conventional forces. The idea now is to reduce the U.S. potential for "overkill" with nuclear weapons, and to beef up nonnuclear forces.

WHERE UNITED STATES HAS CUT BACK NUCLEAR WEAPONS SYSTEMS

Radical cutbacks, as a result, have been put into effect where nuclear weapons systems are concerned. What the record shows:

B-47 bomber: Already cut back from 1,100 to 650. Will be down to 300 by next summer, entirely abandoned by 1966. Power of

the B-47 bomb load is more than 10 megatons; this is equal to more than 10 million tons of TNT.

B-52 bomber: Production has halted despite congressional desire to continue, and the operational fleet was frozen at 630 planes. Some models will be scrapped inside 5 years; others presumably can be kept flying a few years after that. In the latest model, the H-series, the B-52 will carry more than 50 megatons over a 10,000-mile range.

B-58 bomber: The production line was shut down last autumn—also over congressional opposition—after about 80 planes were earmarked for combat-type duty. This plane carries a 15-megaton load at supersonic speeds.

RS-70 bomber: Planned by the Air Force as bomber of the 1970's, but held up in development stage. The Joint Chiefs of Staff and many Members of Congress went to see it in production, but chances are slim.

Thor missile: Four bases in England, with 60 medium-range missiles capable of reaching into Russia, were ordered dismantled shortly after Soviet Russia withdrew its missiles from Cuba.

Jupiter missile: Bases in Italy and Turkey, with a total of 45 missiles, were ordered abandoned. They had just become operational at a cost of \$555 million.

Skybolt missiles: Designed to extend the life of the bomber force well into the 1970's, this project was killed, although Britain, which was to share the missile, protested strongly.

Nike-Zeus "missile killer": Army requests to put this antimissile missile around U.S. cities were refused, over strong protests from Gen. Maxwell D. Taylor, Chairman of the Joint Chiefs of Staff. The project has been scrapped in the search for a substitute.

Military satellites: The Midas "spy satellite" was killed after a decision that 15 extra minutes' warning of missile attack was not worth the millions still required to perfect it. Numerous other military space projects have been abandoned or delayed.

Navy carriers: Signs point to a cut of as much as one-third in the Navy's fleet of 15 attack carriers. Construction is being delayed on an additional new carrier authorized by Congress last year.

Overseas bases: Flying bases in England, Morocco, Spain, France, Guam, and elsewhere have been or will be shut down. Prospects are for further withdrawals from overseas, possibly involving 1 of the 2 Army divisions in Korea and some 50,000 men in Europe.

Atomic production: The aim is to shut down half of the Nation's 14 major plants manufacturing nuclear materials for weapons. The administration feels that the present stockpile is bigger than any demand it can foresee.

Nuclear test ban: The United States alone took the initiative in suspending atmospheric tests in June as evidence of good faith before formal test ban talks with Russia. Military requests to continue testing were set aside.

VIEWS OF MILITARY LEADERS—WORRIES ABOUT FUTURE

What does this add up to?

Testimony released after closed-door hearings of Congress tells one part of the story. Worry about the future U.S. military position is being expressed on a scale not equaled in recent years.

Gen. Curtis E. LeMay, Air Force Chief of Staff, challenged Secretary of Defense Robert S. McNamara on the new strategy. He disclosed also that he had appealed directly to Mr. Kennedy—to no avail—after almost \$5 billion were cut from the original Air Force budget.

Service rivalries were set aside by the Joint Chiefs of Staff in opposing cuts by the administration's top civilians in the Pentagon.

Gen. Earle G. Wheeler, Army Chief of Staff, told Congress that he had recommended continuing both the Air Force's RS-70 and the Skybolt. He was not "horse trading" with the Air Force in giving this support, he said. These were "purely military judgments."

Adm. George W. Anderson, then Chief of Naval Operations, supported Air Force programs and the Army's Nike-Zeus. He favored extending the life of bombers, he explained, because of doubts about the reliability of missiles.

It was General LeMay who came forward with the most emphasis. He disclosed that the budget as sent to Congress had been shorn by the administration of \$321 million sought for 100 more Minuteman missiles, \$543 million for the RS-70, and \$454 million for the Skybolt.

This exchange then took place before the House Subcommittee on Defense Department Appropriations:

Representative GERALD R. FORD, Republican, of Michigan: "With the decision on the RS-70 and with the decision on Skybolt, with the decision in the Minuteman area, as you look down the road, General LeMay, to 1968 and years thereafter, do you feel our strategic posture will be as strong, relatively speaking, as it is today?"

General LEMAY: "You have to visualize what the threat is going to be at that time. At this moment, I would say no, and that is what worries me. * * * You cannot buy back time, Mr. Ford."

Representative FORD: "Do you accept the philosophy that mutual deterrence or nuclear stalemate is inevitable?"

General LEMAY: "No, I do not accept that philosophy at all."

"I think it is a dangerous philosophy to say: Well, a stalemate is going to exist, we cannot do anything about it; therefore we do nothing. If we accept mutual deterrence, this will, I think, inevitably lead to defeat."

A "MAGINOT" MENTALITY?

Main opposition of General LeMay and others to the cutback in U.S. strategic forces is this: An all-missile "stalemate force" is inflexible. It represents "dangerous Maginot Line thinking" that could leave the United States open to disaster if an enemy came up with an antimissile defense or dramatic, new offensive weapons.

Reliability of missiles, testimony makes clear, is far from proven. Accuracy is not up to standards originally set. The second table following this article gives an indication of today's missile reliability.

General LeMay insists that claims made in behalf of Soviet defenses against U.S. bombers are far overstated. Argument is made that manned-weapons systems will always be needed—in the air or in space. Dissatisfaction is expressed at cuts made in Air Force projects that look forward to possible space warfare.

All that is on the record, as released by committees of Congress.

Not on the record—censored from publication on "policy grounds"—is another side of the story.

This other side concerns what many top military men consider to be a "soft-headed philosophy" about relations with Russia: The idea that the United States can lead Russia to disarmament by first partially disarming itself, to set an example.

Military men in large numbers contend that President Kennedy and his chief aide for defense, Mr. McNamara, are "beguiled" by this philosophy.

THE "PEACE STRATEGISTS" AND THE "SPIRAL THEORY"

Just what is this philosophy—and whose is it?

One civilian witness before Congress described it in these words:

"An arms race is very much like an argument. The spiral will never turn downward

until one party reduces its armaments, even by a small amount at first. In the main area of military spending, it would appear that the United States as the country with by far the greatest overkill capacity, has to be the first to take this step. Certainly, the party that is behind in the race is not likely to be the first to do so."

John T. McNaughton, General Counsel of the Department of Defense, and an arms-control expert, says that "arms control" measures need not necessarily be negotiated and based on formal treaties. He feels that arms control can be achieved by starting with "unilateral acts"—one country taking the lead.

Essentially the same view is shared by other top civilian advisers. Among them are several key members of Mr. McNamara's team of "whiz kids" at the Pentagon, as well as Jerome B. Wiesner, Presidential science adviser; Carl Kaysen, White House arms-control expert; and Walt Whitman Rostow, policy planner at the State Department. These men are sometimes called the "peace strategists."

Outside the Government, physicist Hans Bethe, of Cornell, is credited with being the most influential strategist for peace. Dr. Bethe plays a role of unofficial adviser similar to one played by Dr. Edward Teller—exponent of a "hard line" toward Russia—during the Eisenhower administration.

These men are described by military leaders as being extremely influential in altering national strategy.

"NONPROVOCATIVE" ARMS

"In 2 years," explains one military man, "there has emerged in this country a military philosophy developed by civilians that predicts a nuclear standoff—with both United States and Russia possessing absolute ability to destroy the other."

"Arms controllers think the risk of war can be lessened by making our forces 'nonprovocative.' Hardened missiles, to be used only in retaliation, are nonprovocative. But antimissiles are not to be pushed hard because they could only serve to provoke the arms race. Space weapons are very provocative. And bombers must be abandoned because they are good only as a 'first strike' weapon and are therefore extremely provocative."

"If this philosophy is pursued without restraint of any kind on the Russians, the result could be disastrous. You end up with the United States unilaterally disarming itself of everything except Minuteman and Polaris missiles in the strategic field. You assume a lasting stalemate, but this supposes that the Russians are standing still on antimissiles, giant warheads, space weapons. "This is the road to a second-class military posture in just a few years."

An expert on military affairs adds this note:

"The influence of civilian arms controllers has been tremendous and it accounts, in large part, for the defense-only nature of our strategic outlook, our depreciatory attitude toward any thought of winning and our attitude of resignation toward further increases in Russia's relative military position."

"We have a great force today—a superiority. But while enjoying this superiority we are making all kinds of decisions about the future that will reduce our firepower by a very wide percentage. In other words, we are deciding to get along without the vast firepower of bombers, but giving no serious effort to a next generation of weapons to make up the difference."

Civilian arms controllers, brought under fire, reply that they recognize there is a risk involved. But they consider the risk of a continuing arms race to be much greater. The arms race, in their view, can lead either to national bankruptcy or to a war of annihilation.

ADMINISTRATION'S POSITION: U.S. POWER IS GROWING

Secretary McNamara decries the charge that the United States is in any way weakening its defenses. He sees American power growing, not decreasing, in overall effectiveness.

It is a rapid increase in numbers of missiles that gives the administration confidence. As bombers are phased out, new missiles are coming in at the rate of one a day. More than \$30 billion has gone into this missile force.

That picture in more detail—

Atlas: A force of 126 Atlas missiles is now in position, all within range of the Soviet heartland. They carry warheads of 4 to 8 megatons. Because some are "soft" and especially vulnerable, and none react instantaneously to firing orders, they will be replaced in another few years.

Titan: Now in "silos" in Western States are 54 Titan I missiles. By the end of the year 54 Titan II's will be added. Titans are America's mightiest missiles, with warheads of close to 20 megatons each. Outlook is for phasing out the slower reacting Titan I and retaining only the instant-firing Titan II.

Minuteman: A first wing of 150 solid-fueled Minutemen is installed in Montana, and others are now going into place in North and South Dakota. By 1966 the United States will possess 950 Minutemen in "hard" sites. The Air Force is asking for several hundred more.

Polaris: The program underway calls for a force of 41 Polaris-firing submarines. Already at sea are 10 of these, with 16 missiles each. By 1967—a total of 656 missiles, ready to be fired from deep under the sea. Advances in warhead technology have increased the punch of both Minuteman and Polaris to more than 1 megaton.

U.S. nuclear forces, it is held, will never lack the power to destroy Russia many times over. This is held true by Mr. McNamara even though the trend is away from bombers and missiles with a "big bang" to Minuteman and Polaris missiles with a relatively "small bang."

Secretary McNamara, at the same time, insists that the security of the United States depends on more than an arsenal of strategic weapons.

He wants a "flexible response" that will enable this country to stand up to a limited-war crisis without having to resort—at the first shot of a rifle—to all-out nuclear warfare.

In recent months, Mr. McNamara points out, there has been an increase of 60 percent in U.S. tactical nuclear forces in Western Europe; a 45 percent increase in combat-ready Army divisions; a 30 percent expansion of the number of Air Force tactical squadrons, and a 200-percent increase in guerrilla-type forces.

Military spending has gone from \$41.5 billion in the last year of the Eisenhower administration to \$51 billion for the fiscal year just starting.

Cutback of the RS-70, cancellation of Skybolt, withdrawal of bombers were made, administration officials say, not primarily because these weapons are "provocative" or have no usefulness—but because even a \$51 billion budget won't buy everything that military men ask for.

A SOVIET THREAT: DANGER OF AN ARMS BREAKTHROUGH

A growing worry to military men is the danger that Russia may be moving faster than the United States toward breakthroughs to new weapons. The main areas of worry:

Antimissile defense: Russia is thought to be spending as much on defenses against missiles as on offensive missiles. At stake is the future effectiveness of virtually the entire U.S. strategic force, if Russia succeeds in perfecting a missile killer.

Superterror weapon: A single 100-megaton warhead dropped on New York would destroy practically everything for roughly 20 miles in all directions and create firestorms and fallout covering whole States. Heavyweight nuclear tests and rocket shots in the Pacific last Autumn indicate the Soviets are developing missiles to carry warheads of mammoth proportions.

THE BIG WORRY NOW—SHRINKING SUPERIORITY OF U.S. POWER

The Russians, it is conceded, already have the capability of orbiting and bringing down hydrogen bombs on targets. Experts say this is an inefficient way to wage war. Others maintain it is just a start—that there is no telling what types of new weapons are being worked on for as yet unknown military use by Soviet Russia.

The United States, by contrast, is described as going slow with weapons of the future that tend to appear speculative and costly. No new strategic-weapons system is under serious development at this time in the United States.

Stefan T. Possony, of Stanford's Hoover Institution, a leading authority on military affairs, claims that America's failure to modernize its weapons places the Nation in danger of a "nuclear and technological Pearl Harbor." Dr. Possony's view, shared by numbers of others, is given in detail in the article appearing immediately below.

Concern, over all, is growing rapidly at this time over the upheaval in U.S. defenses.

America's declining power in relation to Russia is the big worry now.

Another—for the future—is Red China's approaching status as an atomic power. That is just a matter of time. The prospect of a nuclear-armed and unrestrained Red China creates additional concern in a period when the United States appears to many to be cutting back, not beefing up, for danger ahead.

How America's nuclear arsenal is to be "streamlined"

	From this—as planned by the Eisenhower administration for the mid-1960's	To this—as planned by the Kennedy administration for the late 1960's
B-47 bombers.....	1,100.	0.
B-52 bombers.....	630.	0.
B-68 bombers.....	80.	0.
Thor missiles.....	60.	0.
Jupiter missiles.....	45.	0.
Atlas missiles.....	126.	0.
Titan missiles.....	126.	54.
Polaris missiles.....	464.	656.
Minuteman missiles.....	600.	950+.
Nuclear weapons and delivery systems equaling.....	30 to 40 billion tons of TNT.	2 billion tons of TNT.

WHY MANY MILITARY MEN ARE CONCERNED

In addition to sharp cutback in available U.S. nuclear punch, there is this fact: No new strategic bomber, missile, or space-weapons system is now under serious development for the late 1960's.

MISSILES—MAINSTAY OF THE FUTURE: HOW RELIABLE ARE THEY?

Test record of long-range U.S. missiles

Missile	Total firings	Complete success	Rate of success (percent)
Atlas.....	181	130	71.8
Titan.....	80	56	70.0
Minuteman.....	48	34	70.8

Source: U.S. Air Force records, through July 18, 1963.

WHAT THE EXPERTS SAY¹

Adm. George W. Anderson, Chief of Naval Operations: "I have some doubts as to the reliability of the missiles in the period we are talking about. I do not have the same confidence in any of the missile systems as do some of the technicians who attest to the performance of the missiles."

Representative GERALD R. FORD, Republican of Michigan: "Has any one of these three missile systems been tested on site with operational crews, with a nuclear warhead?"

Gen. Curtis E. LeMay, Air Force Chief of Staff: "No."

Representative FORD: "Are any programmed?"

General LeMay: "Not with a nuclear warhead. We tried to get authority during the last series of tests to fire an Atlas with a warhead. It was disapproved."

General LeMay:

"A missile is like an airplane. It has a propulsion unit, it has an airframe, and it has a guidance system, and so forth. We know from past experience how much work is necessary to go into an aircraft system to get it reliable enough to guarantee carrying out the mission. We know from thousands and thousands of sorties exactly what the reliability is."

"For instance, in an airplane we have an abort rate of less than 5 percent in carrying out combat missions. With the missile, we will never have the degree of experience that we have with the manned airplane."

Representative DANIEL J. FLOOD, Democrat, of Pennsylvania:

"I am seriously concerned about this problem having to do with the percentage of reliability of all of the ICBM missiles, regardless of which generation."

"The average guy in the street is undoubtedly of the opinion that every missile we have, regardless of sophistication, degree, or generation, or name, is 100 percent operational and 100 percent reliable. This, of course, is not the case."

THE PENTAGON "COURTS DISASTER"

(By Dr. Stefan T. Possony, director of international political studies program, Hoover Institution, Stanford University)

It is being suggested in Washington that a technological plateau has been reached, which allegedly allows us to pause before we decide on acquiring new weapons systems.

Evidence on continuing and accelerating technological advances in the Soviet Union is pooh-poohed systematically or passed over in silence. It may be useful, therefore, to take a short look at some of the weapons which the Soviets seem to be developing in order to insure our "burial."

Chief Marshal of Aviation Konstantine Vershinin has reiterated frequently that, though the decisive role in war henceforth will be played by long-range missiles, no future military operations will be feasible without the participation of large numbers of aircraft. The main role in aviation, according to Vershinin, will be assigned to rocket-carrying bombers capable of striking not only stationary but also moving land and sea targets from a long stand-off range. The Soviet Badger and Bear bombers, which have been overflying our carriers, are known to be equipped with air-to-surface missiles.

Insofar as the Pentagon is concerned, it has canceled our long-range Skybolt missile

and would like to kill the RS-70. Our B-52 bombers will be phased out in 1968. Without the RS-70, there will be no replacement. Chief Marshal Vershinin also disclosed:

"The further perfecting of new types of aircraft is intended to increase their ceilings, speed and range. With this goal in mind, work is being done to create atomic engines."

One of Mr. McNamara's first acts as Secretary of Defense was to cancel the atomic jet engine.

Col. Gen. V. F. Tolubko, First Deputy Commander in Chief of Strategic Rocket Forces, disclosed (February 20, 1963) that the Soviet Union already possesses antimissile defense weapons.

Nevertheless, the Pentagon has put the quietus on the Nike-Zeus system and is now embarked on a substitute project, the Nike-X, which will take many years to complete, and which in the end might not be approved, either.

The well-known aircraft designer Artem Mikoyan predicted a "semicosmic" airplane, with variable-geometry wings, an extended range of several times 100,000 miles, and a speed of 6 to 8 mach.

The Pentagon is most anxious to kill our experimental orbital plane, the X-20 or Dyna-Soar, because it allegedly duplicates a NASA project.

We still are paying lip service to the ridiculous dogma that space is good only for peaceful purposes and we are deflecting most of our massive space budget away from using space as a medium to enhance the security of the United States.

The commander of the Soviet Union's Strategic Rocket Forces, Marshal S. S. Biryuzov, disclosed (Feb. 22, 1963) that it "has now become possible to launch, at a command from earth, rockets from a satellite, and this at any desirable time at any point in the satellite trajectory." Privately, Khrushchev has made a similar statement, although he declared that the first such device developed by the Soviets will not be put in operation because his scientists are working on a better model. The Cosmos series of Soviet-launched satellites—this is the type with which they carried out their first rendezvous experiment—may be related to this development.

Yet the Pentagon continues to insist that it makes no sense to place nuclear bombs into orbit. It even goes so far as to assert that, at the present time, there is no discernible military function in space, not even a need to defend the United States against nuclear weapons which the Soviets might launch from orbital vehicles.

It will be said that statements by Soviet marshals or even Khrushchev are nothing but "Communist propaganda." But experience has proved, time and time again, that the Soviets talk about new weapons systems only when they have such weapons under development. Perhaps the Soviets will prove unable soon to build a nuclear jet engine. Perhaps the semicosmic plane will appear only in 15 or 25 years. There is no question, however, that the orbital bomb is entirely feasible now. And there is no doubt that the Soviets have tested antimissiles and could be deploying them now as an antimissile defense system. Such an initial system might be relatively ineffective, but its propaganda effect would be enormous.

There are a number of additional facts which the Pentagon never disputed but which it is anxious to keep concealed. Colonel General Tolubko derisively compared the biggest American warheads installed in Titan with Soviet missile warheads "whose powers attain 100 megatons." Some skeptics may dispute that the Soviets have 100-megaton warheads now, but hardly any expert denies

¹ From hearings before the House Subcommittee on Defense Department Appropriations.

that their warhead capability is in the 50-megaton range and will reach the 100-megaton level in the future. General Tolubko is absolutely right: Yieldwise, U.S. warheads are limping behind Soviet warheads by one full order of magnitude.

Yet the Pentagon has announced no decision to correct this deadly deficiency.

Even more frightening is the fact that, according to Lieutenant General of the Air Force N. Sbytov, the Soviets possess a bomb with a yield of 160 megatons. This claim may be somewhat inflated as yet, but, to judge from the Soviet tests of 1961, such a bomb is fully within Soviet capabilities. Our biggest bombs have only about half the yield of the biggest devices tested by the Soviets, and they are smaller than several of the bombs which the Soviets tested during 1962.

As things stand today, the Soviets have tested twice as many high-yield devices as the United States. Hence they should be ahead of us in the technology of high-yield bombs and warheads. In March 1962, this was almost admitted by President Kennedy himself. But, there again, nothing is undertaken to correct the deficiency.

This policy of "no" decisions has been creating almost unmanageable problems for the United States. Under Mr. McNamara's administration, missiles with small rather than large warheads are preferred and bomber aircraft which carry the largest firepower are to be phased out.

By hook or crook we are abandoning the nuclear race.

The pattern has been that, with the exception of a minor beefing-up of our guerrilla capabilities, the ordering of a joint Air Force-Navy fighter, and the contracting of Titan III—not for a military space program but as a "building block," should such a program become necessary in the dim future—Mr. McNamara, during more than 2 years in office, has not authorized a single new weapon system. He is slowing down our technological progress deliberately.

If we allow the Soviets to acquire vastly superior nuclear firepower; if we confront a mixed Soviet strategic force, consisting of missiles as well as aircraft, with only missile force; if we do not have the missile defenses while the Soviets possess a capability to shoot down our missiles; and if the Soviets achieve military space capability against which we cannot defend ourselves and for which we have no offensive equipment—then there is no doubt that we would be defeated or could win only at the price of excessive American casualties.

The fact that we presently are investing in research and development 50 cents for every dollar we are spending on procurement means that we are financing many exploratory research programs. It does not mean that we are modernizing our decisive weapon systems.

Perhaps the philosophy of "the biggest bang for the buck" had its faults. But the present philosophy of "the least bangs for the most bucks" courts disaster. All things considered, it does not look as though, under the stewardship of Robert Strange McNamara, the United States is being equipped to forestall a nuclear and technological Pearl Harbor.

At the same time we are being told to celebrate the test ban treaty, we read Soviet statements of increased strength in their nuclear armed submarines and while we talk of a nonaggression pact American boys are being murdered by Communist aggressors in Korea in clear violation of a treaty.

Whatever aggression there is in the world is being encouraged, in most cases

financed and directed by Moscow, and President Kennedy and Mr. Harriman tell us how grateful we should be because Khrushchev is smiling. He should be laughing out loud at our stupidity, at the complete naivete of our leaders. There is no profile of courage in the President's policies in dealing with the Communists; there is only weakness, indecision, fear and confusion which greatly increases the danger of war by miscalculation.

Mr. Harriman admitted at a congressional briefing that United States and Russian views are irreconcilable, that Russia wants the treaty and that we stand to lose nothing. Yet we gain nothing but whatever Khrushchev wants, as to keeping the agreement, since our goals are irreconcilable. We all know Communists have failed to keep 50 of the 53 agreements entered. We also know Mr. Harriman has been a party to many agreements that failed.

The only sure road to peace is in the strength of America and a determined policy which makes it clear that we have the means and the will to defend our freedom and President Kennedy is proving more and more that he is not competent to enunciate or carry out such a policy. Therefore, it is up to Congress to protect the American people against the inadequacies of the Kennedy administration by refusing to go along with policies which border on appeasement and to demand an end to secret deals with the Soviets or agreements dictated by Khrushchev and acceptable only to him.

As a final article I would like to include a UPI news item from the Dallas Morning News of July 29, regarding Soviet boasts of nuclear submarine strength.

[From the Dallas (Tex.) Morning News,
July 29, 1963]

SOVIET NAVAL LEADERS BOAST ABOUT NUCLEAR-ARMED SUBS

MOSCOW.—Top Soviet naval commanders Sunday said the Soviet fleet has been rebuilt around atomic-powered submarines armed with nuclear missiles that could obliterate any target in the world.

The statements came in navy day messages by Fleet Adm. Sergei Gorshkov and Vice Adm. M. Grishanov published in the official Soviet Communist Party newspaper Pravda and the official government publication, Izvestia, respectively.

Gorshkov said aircraft carriers were becoming obsolescent and vulnerable to Russian naval rockets. He derided Western military theoreticians who, he said, "make a fetish" of aircraft carriers.

Just as aircraft carriers replaced battleships, the admiral said in Pravda, aircraft carriers are "increasingly losing their value as compared to the new rocket forces of the modern navy."

In this connection, Gorshkov said Western naval men should not overlook "nuclear warheads that are inevitably delivered to their targets by rockets."

The admiral's remarks, as well as those in a similar vein by other Russian naval officers, were considered standard declarations of strength and readiness on an occasion such as navy day.

But he also stressed that "aggressive intentions are alien to the Soviet Armed Forces."

Soviet naval forces, the admiral said, are capable "of fighting the enemy at great distances from bases, of destroying surface ships and submarines in the ocean, of dealing blows at any targets on the enemy's territory."

Grishanov, writing in Izvestia, said "in recent years as a result of a wide-scale introduction of nuclear rocket weapons our navy has undergone a qualitative change and has become a mighty modern military force."

He said "its basis is submarines armed with powerful nuclear rocket weapons and atomic power installations."

Grishanov added that other arms also have been developed—"a rocket-carrying naval air force and surface craft equipped with rocket weapons."

However, Grishanov added, "the Soviet Union is a peace-loving state. The Navy threatens no one, intimidates no one. It was created for reliable protection of the peace and freedom of peoples from encroachments by zealous enthusiasts for military adventures."

Soviet Defense Minister Marshal Rodion Malinovsky issued an order of the day in which he called on servicemen "to be ever ready to smash any aggressor."

Malinovsky ordered artillery salutes to be fired in Moscow, in the capitals of Soviet Republics, in the "hero cities," and in "the fleets and flotillas," to commemorate navy day.

Mr. Speaker, the Russians will continue to develop their weapons, as they prevent us by treaty from doing the same. Meanwhile, we are reducing and eliminating other weapons systems. After reducing our arms and tying our hands on testing, the only other pact needed is some sort of nonaggression agreement to completely eliminate the United States as a threat while they complete the world takeover without war.

Obviously, at the least, Mr. Harriman, and the President and administration which he represents, has capitulated to "Better Red than dead."

Well, some of us, indeed most Americans I know, put freedom first, then peace. We do not intend to capitulate to Communist demands because of fear of a nuclear holocaust. This attempted blackmail will not intimidate most Americans. It should not scare Mr. Harriman and the President.

We must develop the antimissile missile and continue our advance research and development of weapons. Under no circumstances should we disarm or tie our hands. We must not approve this nuclear test ban.

BONNEVILLE INVADES SOUTHERN IDAHO

Mr. COLLIER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SAYLOR] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SAYLOR. Mr. Speaker, this is the eighth of a series of articles entitled "Bonneville's Multimillion-Dollar Annual Losses and Areas of Substantial and

Persistent Unemployment Are Not Wanted in Southern Idaho.

In fairness to my colleagues and others who have been following this series of articles, I feel an explanation is in order relative to the change in the heading. Here is the story. Yesterday, July 30, 1963, I was informed by the gentleman from southern Idaho [Mr. HARDING] that the heading on my earlier articles, "Southern Idaho's New Slogan: 'Bonneville—Please Include Us Out,'" was personally offensive to him.

Actually, the slogan "Bonneville—Please Include Us Out," was not my own composition but was coined from a remark made by a southern Idahoan who has no connection whatsoever with the power companies. The slogan immediately appealed to me. However, I shall respect my colleague's delicacy of feeling and change the heading of this and future articles on the same subject from "Southern Idaho's New Slogan: 'Bonneville—Please Include Us Out,'" to "Bonneville Invades Southern Idaho."

I only wish the gentleman from southern Idaho had been as considerate of my feelings before he went ahead with his attack on me in his speech to the House on July 25, 1963, after having been advised only 30 minutes earlier by my office that I was out of the office and could not be reached until around 5 o'clock.

According to the CONGRESSIONAL RECORD of the proceedings for July 25, 1963, the gentleman from southern Idaho was joined by the gentleman from northern Idaho in expressing their objection to my speech in this House on July 8, 1963, and to this series of articles on why there is widespread opposition in southern Idaho to the unwarranted and untenable action of Secretary of Interior Udall in extending the Bonneville power-marketing area into southern Idaho.

I do not question the right of my colleagues to differ with my position on the matter. But I am a firm believer in Bernard Baruch's famous remark:

Every man has a right to his opinion but no man has a right to be wrong in his facts.

My colleague says that through my speech of July 8, 1963, and my series of articles that I am, and I quote:

Attempting to give my colleagues in the Congress the impression that the people of Idaho do not approve of the executive order of Secretary Udall which included southern Idaho in the BPA marketing area.

He then goes on to say:

This is simply not true. However, the thing that I object to the most about this current series of articles by the gentleman from Pennsylvania is the title which he is giving them: "Southern Idaho's New Slogan: 'Bonneville—Please Include Us Out.'"

"Let's look at the record." As ranking minority member of the House Interior and Insular Affairs Committee I feel I have a right and a duty to expose and oppose the actions of the Secretary of the Interior when I believe, as I do in this case, that such action is unjustified, unwarranted, and inimical to the best interest of the country as a whole and to the area involved. This extension of Bonneville's socialistic Federal power empire into southern Idaho by executive

flat is not the American way of doing business. This invasion of an area well served by a taxpaying utility, at reasonable rates considerably below the national average, is indefensible.

I am not, as my colleague charges, "attempting" to give the impression that the people of Idaho do not approve Secretary Udall's action. On the contrary, my articles constitute a solid factual presentation black on white of the articles, editorials, and letters from southern Idaho which express widespread and continuing opposition to the extension of the Bonneville power marketing area into southern Idaho. I leave it up to my other colleagues to judge whether these articles, editorials, and letters from southern Idaho present valid opposition to Secretary Udall's action or whether, as the gentleman from southern Idaho says, "This is simply not true."

When the Idaho Farm Bureau Federation with a membership of some 12,000 farm families advises committees of Congress of its emphatic opposition; when the president of the Idaho State reclamation expresses his opposition; when the Payette Chamber of Commerce passes a unanimous resolution opposing Secretary Udall's order; when a veritable deluge of editorials express emphatic opposition to Bonneville, I am sure my colleagues from Idaho would like to close their eyes and dismiss all these concrete evidences of opposition with the phrase, "This is simply not true." I suggest they open their eyes and take heed of actuality.

The gentleman from southern Idaho said in his speech in the House that the thing he objects to the most is the heading of my articles, "Southern Idaho's New Slogan: 'Bonneville—Please Include Us Out.'" As I noted earlier, in view of the fact that the gentleman considers this heading personally offensive I have changed the heading, even though it was coined from a remark made by a southern Idahoan who has no connection whatsoever with the power companies.

Another example of the failure of my colleagues from Idaho to do their homework properly is in regard to the following colloquy on page 13375 of the CONGRESSIONAL RECORD, where the gentleman from southern Idaho asked the gentleman from northern Idaho:

I would like to ask my colleague at this point, "Do you know of any elected official in the State of Idaho in either party who has been critical to the point of demanding that the Bonneville Power Administration not include southern Idaho in its marketing area?"

And the gentleman from northern Idaho replied:

I will say to the gentleman I know of no such elected individual in the State of Idaho who has been so critical.

In closing his speech the gentleman from southern Idaho said:

Elected officials in Idaho who have not supported BPA have remained on the fence or remained silent on this great issue.

"Let's take a look at the record." An article in the Idaho Daily Statesman for March 15, 1963, disclosed that 34 Idaho State representatives and 19 Idaho State senators had signed a letter to Secre-

tary Udall protesting most emphatically against the extension of the Bonneville power marketing area into southern Idaho. The article quoting the letter is as follows:

LETTER HITS SOUTH IDAHO BPA POWER—REPUBLICAN MEMBERS OF HOUSE, SENATE PROTEST EXPANSION

Republican members of the Idaho Legislature have signed a letter protesting the proposed expansion of the Bonneville Power Administration into southern Idaho, Representative W. Larry Mills, Republican, of Ada, said Thursday.

Mills said the letter was sent to Interior Secretary Stewart L. Udall and that he was advised any expansion of BPA powerlines into southern Idaho was "unnecessary, wasteful, and a threat to the sound economy of Idaho."

"The letter was signed by 34 GOP representatives and by 19 of the 23 Republican State senators," Mills said.

Several weeks ago, it was announced that the Democratic members of the legislature had signed a petition asking Udall to extend the BPA marketing area into southern Idaho.

The letter to Udall reads:

"We are greatly concerned about the welfare of Idaho reclamation, present and future, in which the Bureau of Reclamation, an agency of the Interior Department, has for so many years been a soundly constructive partner with State agencies and thousands of irrigators in reclaiming desert lands, making them into productive farms and homesites. In southern Idaho, nothing is more valuable to the economy than irrigated agriculture.

"For more than half a century the Bureau of Reclamation has worked and built solidly. From the beginning it has found ways to make hydroelectric power a paying partner of reclamation projects across the State. The feasibility of many projects would have been affected, and their chances of congressional approval for authorization and appropriations almost nil, without the use of maximum power revenues to reduce the obligation of irrigators.

"Now, the proposal before you is to supplant the Bureau of Reclamation as the marketing agent for reclamation power, replacing it in this role by the Bonneville Power Administration. The damage to be done to reclamation by this action arises from the fact that the Bureau of Reclamation's power sales provide revenues to assist irrigation projects whereas Bonneville Power Administration rates do not.

"Assurances that Bonneville's gross revenues would somehow be used to protect reclamation and 'keep it whole' have a hollow sound in view of Bonneville's admitted operating deficits over the past 5 years. Irrigation assistance can't come from operating deficits.

"And what of reclamation's future in southern Idaho? When a new reclamation project, soundly conceived and worthwhile in purpose, is submitted for congressional approval and appropriations, what will be its chances when deprived of maximum power revenues as afforded by the Bureau of Reclamation's present resale rates? Bonneville power might well prove to be a millstone around the neck of every future reclamation project in Idaho.

"The introduction of Bonneville power, which pays no taxes, into southern Idaho would have a debilitating and possibly devastating effect upon every taxing district affected. The effect would be translated into higher taxes levied against the overwhelming majority of taxpayers in order to make tax-free power available to a handful. This is diametrically opposite from the unanimous expression of the Idaho Legislature this year to foster a good business climate and to encourage equity and fair dealing among all segments of the Idaho economy.

"It is obvious that the case for Bonneville power rests upon subsidy, a subsidy provided by taxpayers. This is a peculiarly vulnerable point to members of the Idaho Legislature, whose prime concern lies in financing the pressing requirements of State government and of the public schools.

"We, the undersigned members of the Idaho Legislature, protest the proposed expansion of Bonneville Power Administration into southern Idaho as unnecessary, wasteful and a threat to the sound economy of Idaho."

I have in my office a photostatic copy of the letter referred to and the 53 signatures thereto.

The most charitable conclusion I can make is to assume that the gentlemen from Idaho were not aware of these expressions of opposition from 34 Idaho State representatives—including the speaker of the house—and 19 Idaho State senators.

One thing that stands out in the speech of my colleagues from Idaho and some of the others who took part in the discussion, is the reference to the "people of Idaho" rather than to the "people of southern Idaho," who are the subject of my articles. For instance, the gentleman from northern Idaho whose district has mostly been in the Bonneville power marketing area for years says:

A sprinkling of editorials is presented to the Congress as an accurate representation of Idahoans' convictions concerning BPA. In order to correct this inaccurate portrayal of my constituents' consensus, I hereby offer an example of a more accurate expression of their opinion by Mr. Sam Day of the Lewiston Morning Tribune.

This was followed by an extended editorial from this northern Idahoan paper, supporting Secretary Udall's action. Perhaps misery likes company and these north Idahoans want to share Bonneville's multimillion-dollar annual losses and areas of substantial and persistent unemployment with their southern brethren.

The gentleman from southern Idaho inserted in his remarks a letter to the editor signed by a Mr. Hal Baker, saying that he did not know Mr. Baker but complimented him on his knowledge and his courage. I do not know Mr. Baker either, but an analysis of his letter discloses no basis for complimenting him on his knowledge or courage. Mr. Baker speaks of BPA being ahead of schedule on payout and says:

Private power companies constructed powerplants to displace purchases from BPA which during the past 5 years has had \$125 million worth of unsold power, that the private power companies could have bought all they needed at cost less than at their own plants.

Actually, on a proper payout and interest cost basis, BPA even now is millions of dollars behind schedule. Here is an excerpt from page 652 of the House hearings on public works appropriations for 1963:

MR. JENSEN. Mr. Luce, last year you told us that you were ahead of schedule on payout on June 30, 1960, by \$53,056,573. With your indicated deficit of \$15,271,834 for fiscal year 1961 and an estimated deficit of \$18 million for fiscal year 1962 and \$13,400,000 for fiscal year 1963, you will, at the end of fiscal year 1963 be down to around \$6.4 million above

the required payout under 2.5 percent interest rate.

Of course, as you agreed last year, if you used an interest rate of 3 or 4 percent, which is more in keeping with the present cost on long-term money, the payout schedule would be considerably in the red. On a 4-percent interest basis, the deficit would be in excess of \$100 million by the end of fiscal year 1963.

With regard to the purported \$125 million worth of unsold BPA power, almost all such BPA power has been surplus or dump power that is of no value to any utility for serving their regular load. The record also shows that nearly all of the aluminum plants that use such a large share of the BPA power made substantial curtailment in the purchase of interruptible or dump power from BPA during this 5-year period. Here is what Mr. Luce, BPA Administrator said about it on page 648 of House hearings on the public works appropriation for 1963:

A third reason, a third explanation of why our revenues have not been increasing as they should, is the fact that the aluminum industry in the Pacific Northwest has had substantial idle capacity. For instance, this year, had aluminum been operating at 100 percent of capacity, our revenues would have been some \$8 million more than they were. In terms of power they could have used about 400,000 kilowatts of this secondary power more than they did.

Furthermore, planned new construction of aluminum plants, a new steel mill and other industrial expansion for which Bonneville had made firm power commitments has failed to materialize. Another factor in Bonneville's multimillion dollar annual losses and failure to dispose of all its potential dump power was Bonneville's refusal to sell large blocks of dump power to California utilities.

I note that my colleague from southern Idaho accuses the private utilities in that area of "spending thousands and thousands of dollars to put forth a barrage of newspaper advertisements containing distortions, half-truths, exaggerations and outright falsehoods." I am wondering if this accusation is based on any more solid ground than the reference to the position of the elected officials of Idaho on the Bonneville power market extension into southern Idaho.

I shall continue my series of articles on southern Idaho's opposition to Bonneville as long as that opposition continues; that is, if Congress stays in session that long.

BOWNE HOUSE—A NATIONAL SHRINE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 5 minutes.

MR. HALPERN. Mr. Speaker, I rise to call the attention of this House to a joint resolution which I introduced today calling for the recognition of a most significant landmark, the Bowne House in Flushing, N.Y., as a national shrine. Identical resolutions have been offered in the other body by the distinguished Senators from New York, Mr. KEATING and Mr. JAVITS.

This house, an outstanding example of early Dutch architecture, was built in 1661 by John Bowne who played an his-

toric role in the early fight for religious freedom in the New World.

In such times as these, when we are so ardently seeking tolerance on many frontiers, it is only fitting that this house, which symbolizes John Bowne's renowned fight for the establishment of religious tolerance be designated as a national shrine so that all who look upon it will remember the great concept of religious liberty it symbolizes.

It is significant to point out that the roots of religious freedom in America were established in Flushing over a hundred years before our Bill of Rights. In 1657 the people of Flushing signed the Flushing Remonstrance which attacked the religious intolerance of Gov. Peter Stuyvesant. These brave people were then thrown in jail by the Government. It was not until 1664 when John Bowne successfully pleaded the case for religious freedom that the hopes of the Remonstrance actually came to full bloom. In this house John Bowne was arrested for defying the Governor's edict that forbade freedom by allowing Quakers to worship there. John Bowne was jailed and exiled for this offense. After several years away from his family and having successfully pleaded his cause before the authorities in Holland, he returned to his home. This, therefore, marked the establishment of the principle of true freedom as embodied a century later in the first article of the Bill of Rights.

A dedicated group of citizens recognizing the tremendous significance of this historic site organized the Bowne House Historical Society in 1945. While significant recognition has come to the house and it has long been considered a national shrine of religious freedom, this has all been unofficial. It has still to be officially designated by our Government as a national shrine. That is the objective of the goal Senator KEATING and I have been seeking through the Department of the Interior which approves such designations.

The Department has advised us that Bowne House is included as one of the many sites being considered in its national survey but that the report will not be completed until 1964. There is considerable basis to urge separate and earlier action in this instance. It is still not certain that the report will be ready by late 1964. And, even if it does make a favorable recommendation regarding Bowne House it may prove to be too late to properly plan the 300th anniversary of John Bowne's success gaining religious liberty from Holland for the colonists in the New World. Another important reason for urging early action is the fact that the New York World's Fair will open in April of 1964 and hundreds of thousands of people, even millions from all over the world will visit the fair site in Flushing Meadows only a short distance from the Bowne House.

Most considerations for national shrine recognition are based on the site's architectural values. This house unquestionably qualifies under this standard. But, our appeal for recognition is based on even broader reasonings. Its religious significance, I believe, gives it a

unique distinction, surely worthy of particular consideration.

Mr. Speaker, I trust the resolution, which was prepared with the cooperation of the board of trustees of the Bowne House Historical Society, will win quick committee and floor approval. The full text follows:

Whereas by the Flushing Remonstrances of 1657, the freeholders of Flushing in defiance of measures of religious persecution undertaken by Gov. Peter Stuyvesant, insisted on the right to have and enjoy liberty of conscience and to welcome in their homes "any sons of Adam who come in love among us;" and

Whereas Bowne House was constructed in 1661 from timbers hand hewn by John Bowne who moved to Flushing in his determination to find a community and a home where he could worship God according to his convictions; and

Whereas despite the promise of religious liberty originally contained in the charter of the town of Flushing, John Bowne was arrested in 1662 and fined with a warning to abstain in future from religious meetings of the Society of Friends; and

Whereas he was transported to Holland for further sentencing and offered such an eloquent plea for tolerance and liberty of conscience that he was released, the governing body of the province declaring that "the consciences of men, at least, ought to remain free;" and

Whereas the trial and acquittal of John Bowne is one of the landmarks of religious freedom in this Nation, comparable to the trial of John Peter Zenger in the history of freedom of the press, one of the stepping stones that led to the drafting of the Bill of Rights in the U.S. Constitution; and

Whereas Bowne House, in which the prescribed religious meetings were held, was acquired by the Bowne House Historical Society in 1945 in celebration of the tercentenary of the community of Flushing, dedicated by Mayor Fiorello La Guardia on October 10, 1945, as a national shrine to religious freedom and tolerance, and opened to the public on Independence Day, 1947; and

Whereas Bowne House today stands with much of its original construction and with contemporary furnishings intact and has been designated in the journal of the American Institute of Architects as one of the twenty "structures of national importance in New York City which should be preserved at all costs": Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby directed to provide, with the consent of the Bowne House Historical Society, for appropriate recognition by the Federal Government of the national historical and architectural significance of the Bowne House, Flushing, N.Y.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. VINSON, for 10 days, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. RYAN of New York, for 5 minutes, today.

Mr. HALPERN (at the request of Mr. COLLIER), for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MULTER in two instances.

Mr. FERNÓS-ISERN and include extraneous matter.

Mr. ZABLOCKI and to include extraneous matter.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. GAIMO in two instances.

Mr. MOSS.

Mr. HANNA.

(The following Members (at the request of Mr. COLLIER) and to include extraneous matter:)

Mr. HOSMER.

Mr. JOHANSEN in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1642. An act to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualification and disciplinary procedures for registered brokers and dealers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 29 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, August 1, 1963, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1085. A letter from the Comptroller General of the United States, transmitting a report on the inadequate administration of military budget support funds provided to Iran under the foreign assistance program; to the Committee on Government Operations.

1086. A letter from the Administrative Assistant Secretary of Agriculture, relative to furnishing certain information on research grants awarded by the Agricultural Research Service during fiscal year 1963, pursuant to Public Law 85-934, dated September 6, 1958; to the Committee on Science and Astronautics.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 6997. A bill to provide for a comprehensive, long-range, and coordinated national program in oceanography, and for other purposes; with amendment (Rept. No. 621). Referred to the Com-

mittee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 467. Resolution providing for the consideration of H.R. 7500, a bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and administrative operations, and for other purposes; without amendment (Rept. No. 623). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of Committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RIVERS of South Carolina: Committee on Armed Services. Senate Joint Resolution 51. Joint resolution to authorize the presentation of an Air Force Medal of Recognition to Maj. Gen. Benjamin D. Foulois, retired; without amendment (Rept. No. 622). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT:

H.R. 7846. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. DENT:

H.R. 7847. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. DULSKI:

H.R. 7848. A bill to provide for the issuance of a special U.S. postage stamp in commemoration of the crusade against cancer; to the Committee on Post Office and Civil Service.

By Mr. FARBERSTEIN:

H.R. 7849. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. FINNEGAN:

H.R. 7850. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. JOELSON:

H.R. 7851. A bill to provide that certain activities of nonprofit blood banks and of physicians and pathologists undertaken to protect the health of recipients of blood and blood plasma shall not be deemed to be acts in restraint of trade under laws of the United States; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 7852. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

H.R. 7853. A bill to prevent the use of stopwatches or other measuring devices in the postal service; to the Committee on Post Office and Civil Service.

By Mr. MULTER:

H.R. 7854. A bill to provide for an increase in the maximum amount of insurance coverage for bank deposits and savings and loan accounts, to protect further the safety and liquidity of insured institutions, to strengthen safeguards against conflicts of interest, and for other purposes; to the Committee on Banking and Currency.

H.R. 7855. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

H.R. 7856. A bill to authorize the transmission in the mails of lottery tickets and other matter relating to a lottery operated by a State or political subdivision thereof,

and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. NELSEN:

H.R. 7857. A bill to amend the Federal Trade Commission Act to require that motion pictures photographed outside the United States, and any advertisements thereof, shall set forth the country of origin; to the Committee on Interstate and Foreign Commerce.

By Mr. O'NEILL:

H.R. 7858. A bill to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7859. A bill to prevent the use of stopwatches or other measuring devices in the postal service; to the Committee on Post Office and Civil Service.

Mrs. ST. GEORGE:

H.R. 7860. A bill to authorize an appropriation of a sum not to exceed \$50,000 with which to make a survey of a proposed national parkway in the States of Pennsylvania, New Jersey, and New York from the vicinity of Stroudsburg, Pa., northeast to Kingston, N.Y.; to the Committee on Interior and Insular Affairs.

By Mr. TEAGUE of California:

H.R. 7861. A bill to amend the Rural Electrification Act of 1936, as amended, to make more specific the purpose for which loans may be made under sections 2 and 4 of such act, and to modify the provisions relating to interest rates on loans made under such act; to the Committee on Agriculture.

By Mr. THOMPSON of Louisiana:

H.R. 7862. A bill to prohibit the use of measuring or timing devices to measure the work of an individual employee in the postal service; to the Committee on Post Office and Civil Service.

By Mr. CHARLES H. WILSON:

H.R. 7863. A bill to amend the Federal Trade Commission Act to require that motion pictures photographed outside the United States, and any advertisements thereof, shall set forth the country of origin; to the Committee on Interstate and Foreign Commerce.

By Mr. DULSKI:

H.J. Res. 592. Joint resolution to provide for the settlement of the labor dispute between certain carriers by railroad and certain of their employees; to the Committee on Interstate and Foreign Commerce.

By Mr. HALPERN:

H.J. Res. 593. Joint resolution providing for appropriate Federal recognition of the Bowne House, Flushing, N.Y.; to the Committee on Interior and Insular Affairs.

By Mrs. HANSEN:

H.J. Res. 594. Joint resolution to provide for the settlement of the labor dispute between certain carriers by railroad and certain of their employees; to the Committee on Interstate and Foreign Commerce.

By Mr. JONAS:

H.J. Res. 595. Joint resolution proposing an amendment to the Constitution of the United States to permit the offering of prayer in public schools; to the Committee on the Judiciary.

By Mr. LANKFORD (by request):

H.J. Res. 596. Joint resolution to guarantee to displaced businesses of the Southwest waterfront, District of Columbia, their prior rights to resettlement in that area; to the Committee on the District of Columbia.

By Mr. LONG of Maryland:

H.J. Res. 597. Joint resolution to provide for the settlement of the labor dispute between certain carriers by railroad and certain of their employees; to the Committee on Interstate and Foreign Commerce.

By Mr. MULDER:

H.J. Res. 598. Joint resolution authorizing and directing the National Institutes of Health to undertake a fair, impartial, and controlled test of Krebiozen; and directing the Food and Drug Administration to withhold action on any new drug application before it on Krebiozen until the completion of such test; and authorizing to be appropriated to the Department of Health, Education, and Welfare the sum of \$250,000; to the Committee on Interstate and Foreign Commerce.

By Mr. OLSEN of Montana:

H.J. Res. 599. Joint resolution to provide for the settlement of the labor dispute between certain carriers by railroad and certain of their employees; to the Committee on Interstate and Foreign Commerce.

By Mr. RIVERS of Alaska:

H.J. Res. 600. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.J. Res. 601. Joint resolution authorizing and directing the National Institutes of Health to undertake a fair, impartial, and controlled test of Krebiozen; and directing the Food and Drug Administration to withhold action on any new drug application before it on Krebiozen until the completion of such test; and authorizing to be appropriated to the Department of Health, Education, and Welfare the sum of \$250,000; to the Committee on Interstate and Foreign Commerce.

By Mr. SECREST:

H.J. Res. 602. Joint resolution to provide for the settlement of the labor dispute between certain carriers by railroad and certain of their employees; to the Committee on Interstate and Foreign Commerce.

By Mr. WYMAN:

H.J. Res. 603. Joint resolution proposing an amendment to the Constitution of the United States to preserve and protect references to reliance upon God in governmental matters; to the Committee on the Judiciary.

By Mr. BURTON:

H.J. Res. 604. Joint resolution to designate the lake to be formed by the waters impounded by the Flaming Gorge Dam, Utah, as "Ashley Lake"; to the Committee on Interior and Insular Affairs.

By Mr. CRAMER:

H. Con. Res. 210. Expressing the determination of the United States with respect to the matter of general disarmament and arms control; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H.R. 7864. A bill for the relief of Margaret Feldstein, nee Koffler; to the Committee on the Judiciary.

By Mr. FERNOS-ISERN:

H.R. 7865. A bill for the relief of Francisca Cueto-Martinez de Maturana; to the Committee on the Judiciary.

By Mr. FRIEDEL:

H.R. 7866. A bill for the relief of Max Kahn; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 7867. A bill for the relief of Rodolfo, Clelia Pitta, and Giovanna Branchinelli; to the Committee on the Judiciary.

By Mr. REID of New York:

H.R. 7868. A bill for the relief of Rocco Maiorano, Gerarda Maiorano, Alfred Maiorano, and Anna Maiorano; to the Committee on the Judiciary.

By Mr. RYAN of Michigan:

H.R. 7869. A bill for the relief of Dimitra Irini Dimitroulias; to the Committee on the Judiciary.

By Mr. SCHNEEBELI:

H.R. 7870. A bill for the relief of Pa Ho Hsu; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 7871. A bill for the relief of Tam Wal King; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Shakespeare Summer Festival

EXTENSION OF REMARKS OF

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1963

Mr. GIAIMO. Mr. Speaker, one of the most enjoyable evenings of theater that Washington has ever offered is the Shakespeare Summer Festival presentation of "Much Ado About Nothing" at the Sylvan Theater. The performances are uniformly excellent, the costumes are enchanting, the setting is superb, the lighting and musical effects are mag-

nificent—in short, the entire production is a sheer delight.

Shakespeare's crisp and witty play is a perfect vehicle for the versatile cast and their virtually ideal setting. I should add that another of this production's virtues is the fact that there is no admission charge, thanks to the sponsoring organizations, the Department of the Interior, and the District of Columbia Recreation Department. The polished, professional touch, however, was made possible by the liberal financial support from many private organizations and individuals.

The Sylvan Theater, at the foot of the Washington Monument, is the perfect spot for such a performance, and Ellie Chamberlain, the producer, and Director

Don Driver have utilized every natural and technical advantage at their disposal. I would also like to commend the exceptional cast, headed by Marian Mercer, and Robert Mandan.

Since the opening night, July 13, thousands of District residents and tourists have flocked to the theater. The weather has been ideal, the reviews were excellent, and I understand that the attendance has averaged 1,500 per performance.

Unhappily, "Much Ado About Nothing" will run through August 11 only. It is seldom that the public is treated to such a thoroughly delightful theatrical experience, and I urge my colleagues, and all others who have the opportunity, to make every effort to attend one of the